PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 330

HOUSE OF COMMONS

OFFICIAL REPORT

SECOND SESSION OF THE FIFTY-SECOND PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FORTY-EIGHTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 1998–99

COMPRISING PERIOD
26 April—7 May 1999

£70

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26 April 1999

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE SECOND SESSION OF THE FIFTY-SECOND PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 7 MAY 1997]

FORTY-EIGHTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 330**

EIGHTH VOLUME OF SESSION 1998–99

House of Commons

Monday 26 April 1999

The House met at half-past Two o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Crime and Disorder Act 1998

1. **Mr. Vernon Coaker** (Gedling): What assessment he has made of the extent to which magistrates are using the new powers contained in the Crime and Disorder Act 1998; and if he will make a statement. [80949]

The Secretary of State for the Home Department (Mr. Jack Straw): The new orders contained in the Act—including the anti-social behaviour orders—have been widely welcomed as of great importance in helping the police and local authorities to reduce crime and disorder. I have kept in close touch with lay and stipendiary magistrates about the provisions of the Act.

We are monitoring the use being made of all the new disposals. The first full set of statistics should become available this summer, but the experience in the pilot areas to date has been encouraging.

Mr. Coaker: Will my right hon. Friend take the opportunity to congratulate Gedling borough council and Nottinghamshire police on their work in implementing the 1998 Act? However, will he ensure that magistrates throughout the country implement with full force the new powers that they are given in the Act, so that we can start to tackle the anti-social behaviour in our communities that people so much want to be tackled? In that light, the anti-social behaviour orders contained within the Act are crucial and need to be implemented with full force.

Mr. Straw: I pay tribute to the work of Gedling borough council and Nottinghamshire police—and to the leadership shown by my hon. Friend the Member for Gedling (Mr. Coaker), because I note from the reports that I have received, not least from the visit paid by my hon. Friend the Minister of State, what good work is going on there.

To date, the evidence about the orders that are being piloted is encouraging. It shows, for example, that, in the pilot areas, over 2,000 police reprimands have been issued, as well as over 1,000 final warnings, 350 reparation orders, 213 action plan orders and 41 parenting orders. There is great expectation about the anti-social behaviour orders. They are fully backed by local authorities and the police. We expect some early applications to be made soon and there will be an equal expectation—which I very much hope will be fulfilled—that the courts will recognise the importance placed upon those orders.

Sir Norman Fowler (Sutton Coldfield): May I say, on behalf of the Opposition, that we have all been appalled to hear the news of the murder of Jill Dando? I knew and admired her, and she did a vast amount to combat crime—that is unquestionable. It is an horrific murder and a terrible loss.

Mr. Straw: I associate myself and the Government with the remarks of the right hon. Gentleman and the Opposition. Jill Dando was known to virtually everyone in this country, if not personally. She was at the height of her powers. She had done a huge amount, personally, in the fight against crime, not least by her role in "Crimewatch UK", which makes her death all the

more poignant. I am sure that I speak for the whole House when I say that our deepest sympathy goes to her loved ones, her family and her friends at the time of this terrible, tragic and appalling loss.

WPC Fletcher

2. **Mr. Tam Dalyell** (Linlithgow): What assessment he has made of the evidence submitted to him from Colonel George Styles, ballistics expert, Professor Huw Thomas, consultant surgeon, and Bernard Knight, Home Office pathologist, in the case of WPC Fletcher. [80950]

The Secretary of State for the Home Department (Mr. Jack Straw): None. The investigation of crime is a matter for the police.

As my hon. Friend is aware, there has been a thorough review of the evidence in the case by the Metropolitan police. I understand that the review is now reaching a conclusion.

Mr. Dalyell: How has that Metropolitan police inquiry dealt with the question of two warnings received by MI5 the night before the shooting, the first warning coming from the interception of telegrams between certain individuals in the Libyan People's Bureau in Tripoli, and the second from MI6, which was certainly passed on to MI5?

Mr. Straw: As I have made clear, the investigation of this crime is a matter for the police, and in any event my hon. Friend would, with respect, not expect me to comment upon the type of allegation that he has made.

Sir Teddy Taylor (Rochford and Southend, East): Several reports and television programmes have indicated that the bullet that killed Yvonne Fletcher came from the fourth floor of a nearby building. Although I cannot expect the Home Secretary to comment on that, will he at least say whether the front-page report in *The Sunday Times* yesterday that new evidence has emerged showing that the bullet came from the embassy is true or untrue? I think that the House is entitled at least to know what is going on and where that report came from.

Mr. Straw: In a matter such as this, inevitably many competing claims are made. With respect to the hon. Gentleman, I can no more comment on that claim than I can, or was able to, on the claim by my hon. Friend the Member for Linlithgow (Mr. Dalyell). These are matters for the police investigation, which, as I said, we hope will reach a conclusion shortly.

Personality Disorders

3. **Mr. Clive Soley** (Ealing, Acton and Shepherd's Bush): What responses he has had to his proposal for containment of people with personality disorders who are considered to be dangerous. [80951]

The Parliamentary Under-Secretary of State for the Home Department (Mr. George Howarth): Let me first acknowledge my hon. Friend's long experience and great expertise in this area. My right hon. Friend the Secretary of State for Health and I are very grateful for his thoughtful letter of 19 November last and the subsequent discussions, and we are giving his ideas careful consideration. We expect to publish a detailed consultation paper on this issue shortly.

Mr. Soley: I am grateful for that reply. I urge my colleagues at the Home Office to do all that they can to persuade the various professional bodies to pay very careful attention to the proposal. When we do not provide proper security for the very few people who are considered dangerous, we fail them as well as the public. I know of cases when people asked to be locked up before they killed someone, yet one had no power and no authority to intervene. Perhaps we should look on this as a protection order, because it is protection not only for the public but, ultimately, for some of those people with personality disorders.

Mr. Howarth: I am grateful again to my hon. Friend. The Government are determined to put in place new arrangements that will both safeguard the public by ensuring that the relatively few individuals who represent an extreme risk can be contained indefinitely, if necessary, and ensure that those individuals have their treatment needs fully met. It is a difficult thing to achieve and obviously such arrangements have not been satisfactorily resolved in the past. However, we are well aware that this is something that needs tackling. Following the review, we will ensure that the necessary arrangements are put in place.

Miss Anne McIntosh (Vale of York): I wonder whether the Minister could share with the House the level of evidence that will be required before such a person could be contained. It is alleged that Jill Dando was stalked by a fan for a substantial period. It is clear that someone should be contained only if he or she has a personality disorder, but if it appears that crimes, including murder, could have been prevented, the House should know of exactly the level of evidence that will be required before the person concerned can be contained.

Mr. Howarth: As my right hon. Friend the Home Secretary said earlier, while we share everything that has been said about what happened to Jill Dando, it would at this early stage be inappropriate to comment on what may or may not have happened and on who may or may not have been involved. We are looking towards the sort of evidence that should come from a multidisciplinary team, including clinical psychologists, so that all the factors relating to the individual and the risks involved can be properly assessed to make sure that the necessary arrangements are in place to ensure that the safety of the public is put very high on the agenda. I think that the hon. Lady will agree that that is the most important contribution that we can make towards this serious problem.

Crime and Disorder Strategies

4. **Mrs. Joan Humble** (Blackpool, North and Fleetwood): If he will make a statement on progress in establishing local crime and disorder strategies. [80952]

The Minister of State, Home Office (Mr. Paul Boateng): The Crime and Disorder Act 1998 required the local authority and police in every area to formulate by 1 April 1999 a strategy for the reduction of crime and disorder over the next three years. Therefore all local crime and disorder reduction partnerships—more than 400 of them in England and Wales—should now have strategies in place and be starting to implement them.

Mrs. Humble: I thank my hon. Friend for that answer. Given the positive and pro-active consultation undertaken by both the police and local councils in developing these strategies, will my hon. Friend encourage local authorities and police to continue to liaise with local communities? For example, in my constituency the police in Fleetwood and local councillors are holding joint surgeries where they are continuing to listen to people's views. They are offering them confidential meetings if they have particular concerns to raise.

Mr. Boateng: I am grateful to my hon. Friend for sharing with the House the experience of her constituency. The evidence is that the partnership there to which she is referring between the police and the public is being replicated throughout the country, and forms the soundest possible basis for the reduction and prevention of crime.

Mr. John Greenway (Ryedale): Why, when all the powers given to magistrates to handle crime and disorder are discretionary, are the Government insisting that youth offender referral orders are to be mandatory? Why has consideration in Committee of the youth offender reforms been postponed until the summer? Is it not clear from what we have heard today that the crime and disorder measures are based on only a handful of pilot studies and on only limited uptake by the courts, no matter what the Home Secretary says?

Does not all this make a mockery of the Government's claims that their policies on law and order are making a difference, especially when the only difference that the public can see is that there are fewer police officers?

Mr. Boateng: Uncharacteristically, the hon. Gentleman has got hold of the wrong end of the stick. The reality is that we are pushing forward apace with our welcome reforms of youth justice. Magistrates have benefited from the Crime and Disorder Act 1998 and its provisions, in which they are active participants. They are looking forward to the opportunity of making references to the youth offender panels because they know that they represent the best chance of arriving at a concerted focus on the needs of young people before they are sucked into the criminal justice system. That approach is likely to bear dividends later. This is about concerted action to reduce crime and youth offending, something that the Conservative party failed to do when it had the opportunity to act. We are acting and Conservatives are moaning and complaining.

Mr. Bill O'Brien (Normanton): The best way to counter crime in communities is to have partnerships within communities. Will my hon. Friend tell the House the best way forward in encouraging community partnerships to combat crime and disorder? More could be done in my area and there could be greater co-operation with communities if the lead came from his Department.

Mr. Boateng: My officials are certainly ready—as, indeed, are Ministers—to participate in the development of effective local crime prevention and reduction strategies, but we are singularly anxious to achieve recognition of the importance of growing such strategies locally. We are not about being prescriptive and imposing strategies from above, but we are about encouraging good practice and supporting it wherever we find it. We are giving £250 million to support the crime prevention and reduction strategies. Such sums were never available under the previous Conservative Administration.

The whole House would like to hear—perhaps from the right hon. Member for Sutton Coldfield (Sir N. Fowler), who speaks for the Conservatives on this issue—whether they are prepared to match that sum of money. We have heard about health and education, but we have heard nothing about their support for methods of reducing the effect of crime on our population.

Kosovo Refugees

5. **Mr. John Wilkinson** (Ruislip-Northwood): What contingency plans he is making for the reception of refugees from Kosovo in the United Kingdom. [80954]

The Secretary of State for the Home Department (Mr. Jack Straw): Like our European partners, the Government's priority is to ensure that, as far as possible, Kosovo refugees are cared for within that region so that they can return to their homes as soon as it is safe for them to do so.

We have always made it clear that the United Kingdom stands ready to receive some thousands of refugees from the region on criteria agreed with the United Nations High Commissioner for Refugees. The priority of the UNHCR is to relieve pressure on the camps in turn, by giving priority to the most vulnerable and those with family links in the United Kingdom.

Under those arrangements, the first arrivals—161 refugees, mainly women and children—came to the United Kingdom yesterday, and are being looked after in the Leeds and Bradford areas.

I am very grateful to the local Members of this House, to all the public authorities and to voluntary organisations in the Leeds and Bradford areas for the great efforts that they have made. I am also extremely grateful to the people of those areas for the welcome they have given the refugees.

In addition, I should like to place on record my special thanks to the Refugee Council, which is taking the lead in establishing a special reception service for all Kosovo refugees arriving in the United Kingdom.

Mr. Wilkinson: Although our paramount duty must be to win the war and to enable all the Kosovo refugees to return to their rightful homes—I am sure it is appropriate that most of them should wish to stay as near to their former homes as possible and to be sustained in neighbouring states—will the right hon. Gentleman ensure that we make orphans and widows, who have suffered so cruelly, a priority? Will he follow the example laid down

at the time of Idi Amin's expulsion of the Indians from Uganda and ensure that the refugees are spread evenly around the country? A lot of London boroughs, such as my own, bear a very substantial burden already.

Mr. Straw: As I have said, family union is one of the criteria being followed by the UNHCR and, within that, the vulnerability of orphans and widows is an additional criterion which the UNHCR already takes fully into account.

On the hon. Gentleman's second point, the Refugee Council, which is a major voluntary organisation with huge experience in this area, is making arrangements to ensure that those who will be arriving are accommodated in areas that are ready to welcome them and have the facilities to do so. We have already made it clear by example that that does not mean only London.

Mr. Gerry Sutcliffe (Bradford, South): May I thank my right hon. Friend for his congratulations to the people of Leeds and Bradford, and West Yorkshire as a whole, for their generosity of spirit in accepting the refugees yesterday? Does he agree that it is right and proper that the statutory agencies operate together, as they did yesterday, to accommodate the refugees in a proper manner? It was clear from what the refugees said yesterday that all they want to do is go home.

Mr. Straw: Let me place on record again my thanks to the local authorities within West Yorkshire, which have done a magnificent job in co-operation with the voluntary organisations. As my hon. Friend said, the agencies are operating extremely well together.

On my hon. Friend's last point, it is true that the refugees want to go back to their homes. That is why it is absolutely right that the major focus of humanitarian relief must be in the region around Kosovo—in Albania and Macedonia—because that meets both the necessary aims of the military action against the Milosevic regime and, more importantly, the wishes of the overwhelming majority of the Kosovo refugees.

Mr. A. J. Beith (Berwick-upon-Tweed): Does the Home Secretary agree that our determination to end the terrible treatment that has prevented those people from remaining in their homes is not a reason to be at all slow in responding to the UNHCR's plea for urgent help and relief from the sheer pressure of numbers around the Kosovo border? Does the Home Secretary have in place machinery that is efficient enough to identify the priorities of, for example, those with medical needs? Does he recall that, when the east African Asian crisis happened, a special refugee board was set up to cope with urgent action? The existence of more voluntary organisations now might call for different arrangements. Can the right hon. Gentleman comment on that?

Mr. Straw: I do not think that there is a case for setting up a special refugee board. As the right hon. Gentleman says, things have changed since the period when Idi Amin was expelling all those east African Asians. The depth of voluntary organisation work in this field is very much greater than it was. I am satisfied that the arrangement that we have put in place, with the Refugee Council in the lead but obviously fully supported by my Department and local authorities, will be resilient.

The right hon. Gentleman asked whether we are responding urgently to pleas from the UNHCR. The answer is yes; the first request that we received from it was last Wednesday 20 April, and we responded positively within one hour.

Mr. Neil Gerrard (Walthamstow): Can the Home Secretary confirm the terms on which people are being accepted into this country from Kosovo? I have seen it reported that they are being given one year's exceptional leave to remain, which presumably gives them access to benefits. If that is so, and if we are taking people on the basis of having relatives already here, what is being done to deal with the cases of those who are already here? Is it not anomalous to have people already here but with no access to benefits, whereas their relatives who are now being allowed into the country have access to benefits?

Mr. Straw: My hon. Friend is entirely correct to say that those who arrive here by way of priority from the UNHCR are being issued exceptional leave to remain for one year, which passports them into benefits and entitles them to work. My hon. Friend will understand that those who come here by other means will, because of their method of arrival and, sadly, questions about their identity—it must be said, however unpalatable it is, that a number of people who come from Albania seek to claim that they are Kosovo Albanians but have no well-founded claim under the 1951 convention—have their claims dealt with by a different process, which necessarily takes longer. However, we have a good record in according refugee status or exceptional leave to remain as quickly as possible to those whom we are clear come from Kosovo and have a well-founded fear of persecution.

Sir Norman Fowler (Sutton Coldfield): Is the Home Secretary aware that we entirely endorse the action to give help and relief to the 160 refugees who arrived from Kosovo yesterday? We also support the general policy that the overall aim must be that the people of Kosovo can return to their homes. One factual question arises from what has just been asked. Ministers, including the Prime Minister, have been saying that this country has already taken 10,000 refugees from Kosovo. Does that figure include people whose applications are still being considered? If so, how many of those 10,000 are applicants whose cases are currently under consideration?

Mr. Straw: I am grateful to the right hon. Gentleman for his general endorsement of our policy. The 10,000 people who have identified themselves as Kosovan include applications that are in the pipeline. I shall write to the right hon. Gentleman as quickly as possible with a breakdown of the figures.

Mr. Jeremy Corbyn (Islington, North): Will the Home Secretary outline what help he will offer to local authorities, which will take a substantial number of refugees in the near future, for social services, education and housing assistance? We all support and welcome asylum seekers arriving in this country, but does he realise that it is extremely difficult for inner-urban local authorities to fund existing services, and with an increased burden on them they will need immediate help from

central Government? They cannot wait until the end of the financial year and include such assistance in next year's round of bids to central Government.

Mr. Straw: As I said in response to the original question from the hon. Member for Ruislip-Northwood (Mr. Wilkinson), the Refugee Council and the Home Office are being sensitive about the areas in which they are arranging for refugees who are coming in by plane to be received. They are certainly sensitive to the additional pressure faced especially by some inner-London boroughs. Discussions are in hand with local authorities, and I have no reason to believe that they need be hindered by any financial considerations in the co-operation that they wish to offer.

Crime and Disorder Act 1998

8. **Mrs. Christine Butler** (Castle Point): If he will make a statement on the role of the voluntary sector in the implementation of the Crime and Disorder Act 1998. [80957]

The Minister of State, Home Office (Mr. Paul Boateng): Voluntary organisations have a huge amount to contribute to crime prevention and reduction and the safer resettlement of offenders. The Crime and Disorder Act 1998 provides a framework for a wide range of voluntary bodies to be invited to participate in the work of the crime and disorder reduction partnerships. I am glad to say that many voluntary organisations have taken up that opportunity and are working closely with the statutory sector to reduce the levels of crime, not least in the vital role that they have to play in implementing the youth justice measures in the 1998 Act.

Mrs. Butler: Will my hon. Friend congratulate the voluntary sector in Castle Point on its crime prevention work in the overall strategy for crime reduction in the constituency? In particular, will he send a message to bodies that represent the old, the very young, the vulnerable and the disabled, which promote the interests of those who most fear crime, encouraging them in the vital role that they play in the crime reduction strategy?

Mr. Boateng: I am happy to do that. My message to the organisations working with the elderly and the vulnerable is to thank them for all that they are doing, and to tell them that their views and their concerns will be taken up in the audits that underpin the crime prevention and reduction partnerships, and will be carried forward in the strategies. They have a vital role to play in ensuring that the elderly and the vulnerable, who are most likely to be the victims of crime, are properly protected. Partnerships between the voluntary sector, the statutory sector and the police are most likely to reduce and prevent crime, and we are determined that they will have all the support that they need to achieve that end.

Mr. Graham Brady (Altrincham and Sale, West): Will the Minister also pay tribute to the work of voluntary organisations such as the scouts and the guides in helping to keep young people away from involvement in crime? Will he give consideration to the importance of not reducing the resources available to the scouts and the guides through the £10 levy on the vetting of people to be leaders of scouts or guides organisations?

Mr. Boateng: Scouts and guides, and indeed the whole array of the uniformed youth service, play an important role in diverting young people from crime. They set an example in recommending a life of discipline and duty that others would do well to emulate.

As the hon. Gentleman will know, we are engaged in discussions with the sector—indeed, my right hon. Friend the Home Secretary had a meeting with representatives only the other day—to ensure that the necessary measures that we have introduced to bear down on the abuse of trust, and the welcome steps that we have taken to provide guides and scouts with access to the best possible information to prevent the service from being misused by those who would abuse children, are implemented in a way that does not place undue burdens on scouts and guides, or on any other part of the voluntary sector.

However, we are obliged—I make no bones about this—to implement a policy of the last Government as well. We must recognise that there is a cost to be met for those searches, and that we would not do the voluntary sector any good by exempting it from meeting a proportion of that cost.

Dr. Brian Iddon (Bolton, South-East): May I praise the work of tenants and residents associations, and also place on record my thanks not only to the residents of part of my constituency who have put up with hell for the past 12 months, but to K division of the Greater Manchester police for sorting out the problem?

Does my hon. Friend agree that "training" is the word that we should consider seriously? Is it not important to train everyone, from the police down, in aspects of the Act that can affect ordinary lives on the streets, so that everyone is aware of their individual powers?

Mr. Boateng: I wholeheartedly endorse what my hon. Friend has said. Training in the benefits that the Act can bring is essential not simply for the police but for magistrates—and, indeed, to increase local authorities' awareness of the powers now available to them.

Tenants and residents associations have long asked for the powers that we have given the police, local authorities and magistrates in the Act. I know that they welcome what we have done, and we are determined that the Act be used. The anti-social behaviour order in particular holds out the possibility of relief from behaviour that plagues all too many of our estates and communities. At long last, something is being done—by this new Labour Government.

Police Stations (Sussex)

9. **Mr. Tim Loughton** (East Worthing and Shoreham): What representations he has received about opening times for police stations in Sussex. [80958]

The Parliamentary Under-Secretary of State for the Home Department (Kate Hoey): My right hon. Friend the Home Secretary regularly receives representations from hon. Members, members of the public and others on

a wide variety of issues relating to the police, including the opening times of police stations. I am not aware of any specific representations on the issue.

Mr. Loughton: Will the Minister join me in condemning the tragic killing of PC Jeffrey Tooley, a young officer based in the traffic division at Shoreham in my constituency? While carrying out his duties late on Saturday night, he was hit by a van—apparently deliberately—which then failed to stop. The officer died in hospital yesterday. Will the Minister extend her condolences both to his family and to colleagues to whom I spoke this morning?

Will the Minister tell me how I can convince my constituents that the Government are serious about tackling crime in communities in my part of West Sussex? During the last two years, evening and weekend opening hours have been eliminated in all the police stations in my constituency; no police emergency service response vehicles are now based at any of those police stations; and overall Sussex police numbers have been reduced by 161.

Kate Hoey: I am sure that all hon. Members throughout the House will wish to send their condolences to the family of PC Jeffrey Tooley. His death shows us again the dangers involved in being a police officer, and the extent to which police officers deserve our support.

There is always public concern about operational decisions to reduce the opening times of certain police stations. It must be said that all the developments that the hon. Gentleman said had taken place during the past two years took place under a funding regime implemented by the last Government; but the police must clearly make an operational decision on whether their resources are best used to keep police stations open during the evenings so that people can pop in, now that so many people use the telephone and can communicate with the police in other ways. We must allow them to make those operational decisions in their own areas.

Asylum Seekers

11. **Dr. Nick Palmer** (Broxtowe): If he will instruct immigration officials to ensure that asylum seekers who appear to have been tortured are not dispersed to areas without agencies specialising in the support of torture victims. [80960]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Mike O'Brien): Wherever possible, the immigration service shall endeavour to respond positively to individuals' circumstances by arranging a suitable dispersal location, particularly in the case of torture victims.

Dr. Palmer: I am grateful to the Minister for his reply, which he mentioned in private correspondence. Although many of us see the sense in dispersing asylum seekers across the country so that there is not a huge burden on a particular area, it would cause enormous distress to all of us if the situation of torture victims or apparent torture victims were aggravated by a lack of support in this country. Will my hon. Friend therefore reinforce his statement by saying that he hopes that immigration officials will give particular weight to that consideration?

Mr. O'Brien: We shall indeed ensure that we are very considerate of those who have been victims of torture. I have had discussions with the Medical Foundation for the Care of Victims of Torture—which, until now, has been based predominantly in the London area—and said that we have to begin to create infrastructures outside London, so that victims who are already in other locations, and those who might go there in future, are able to obtain full and proper treatment. We are determined to do all that we can to achieve that.

Mr. Richard Allan (Sheffield, Hallam): Does the Minister agree that it would be better if Home Office officials spent their time developing proper care packages for victims of torture—as they have done recently in Leeds with their excellent work for the Kosovans—rather than wasting it setting up the ludicrous and unworkable voucher support system for asylum seekers? Will he not now heed the call of *The Big Issue* and other organisations to amend the relevant part of the Immigration and Asylum Bill, so that those who are fleeing persecution and torture are not thrown into social exclusion when they arrive in the United Kingdom?

Mr. O'Brien: Unfortunately, I read a copy of *The Big Issue*, which misquoted me at length, and was particularly disappointed at the way in which it ran that story. It is important that all hon. Members face up to the reality of abuse of the asylum system. Although we have to create an asylum system that delivers for people who are victims of torture and who are genuine refugees, our system should also deter those who deliberately set out to abuse and undermine it. We have to restore integrity to the asylum system, and the Government are committed to doing that.

Mr. James Clappison (Hertsmere): May I bring the Minister back to the issue of victims of torture? He will be aware from the Medical Foundation for the Care of Victims of Torture that many of the experts whom it draws upon to help victims of torture are based in particular areas, especially London. Although sharing burdens in the matter is important, does not the Minister agree that, in both current and future arrangements, we should do all that we possibly can to get help to the victims of torture who need it, to help them to come to terms with their experiences? They have already been through terrible experiences; should not our arrangements be designed to help them as much as we possibly can?

Mr. O'Brien: We certainly have to be sure that our asylum system is able sensitively to address the particular and very sensitive issues of victims of torture. We are committed to operating such a system. We are therefore committed not only to dealing with victims of torture who are already in the United Kingdom but to capacity building, so that we start to create the types of mechanisms that will ensure that victims of torture are properly dealt with when they come to the United Kingdom. I am not convinced that we have in place sufficient capacity to deliver for victims of torture. We still have much work to do, and I hope to work with the medical foundation and other organisations to improve our capacity to help the victims.

Victim Support

14. **Mr. Paul Goggins** (Wythenshawe and Sale, East): What action he is taking to support the work of Victim Support. [80963]

The Parliamentary Under-Secretary of State for the Home Department (Mr. George Howarth): At least a Labour Member is here to ask a question—we have lost Questions 12 and 13. As my hon. Friend will know, we are making a very substantial increase in Victim Support's annual grant. This year's grant will be £17.3 million, and, by 2001–02, it will be £19 million, an increase of 50 per cent. over last year's figure. Most of the extra money will be used to establish a new and much-needed witness support service in magistrates courts.

Mr. Goggins: I congratulate my hon. Friend on providing a much-needed, substantial increase in funding for Victim Support. Will he join me in congratulating the staff and the volunteers of Victim Support in Trafford and in Wythenshawe, who do so much to help my constituents? Will he ensure that as much help as possible goes to Victim Support groups in our poorest communities, which so often feel the worst impact of crime?

Mr. Howarth: Of course I join my hon. Friend in congratulating Victim Support groups in the Greater Manchester area, particularly those that he mentioned. He is quite right to say that the victims of crime are most often to be found in the poorest areas. It is a myth that crime strikes only in areas where people are wealthy. We make every effort to ensure that Victim Support groups in areas of great desperation and high crime are properly funded and resourced. My hon. Friend was quite right to say that it should be a priority.

Crime and Disorder Strategies

15. **Mr. Tony McNulty** (Harrow, East): If he will make a statement on progress in establishing local crime and disorder strategies. [80964]

The Minister of State, Home Office (Mr. Paul Boateng): I refer my hon. Friend to my response to my hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble). I would add that consultation with local communities about the crime and disorder strategies has led to the empowerment of entire communities in the fight against crime. It is about partnership and making a concerted effort to tackle local crime and disorder problems, and it is working.

Mr. McNulty: I thank my hon. Friend for that response. Does he agree that the real strengths of crime and disorder strategies are simplicity and partnership, and that had the Tories spent rather more time concentrating on partnership instead of demonising local government during their 18 years in power, our communities might be far safer?

Mr. Boateng: My hon. Friend makes his point in his usual forceful and trenchant way. I agree with him and congratulate him, his local authority and, importantly, the health authority in Harrow which is working alongside the voluntary and statutory sectors, recognising the importance of partnership in preventing and reducing crime. The role of the health authority is particularly important and it has been helped enormously by the efforts of my hon. Friend.

Mr. John Bercow (Buckingham): Notwithstanding the characteristically sycophantic gloss put on public policy by the hon. Member for Harrow, East (Mr. McNulty), how does the Minister expect local police forces to implement crime and disorder strategies to the maximum effect, given that their funding will increase by only 0.1, 0.3 and 1.4 per cent. respectively over the next three years?

Mr. Boateng: The hon. Gentleman, who is an assiduous attender in the House and contributor to our discussions, will no doubt soon earn himself, by his abject sycophancy, a place on the Opposition Front Bench. We look forward to that day. In the meantime, we shall continue to spend an extra £1.24 billion on the police, money that the Opposition never had in their Budget and are now not willing to match.

Closed Circuit Television

16. **Mr. Jeff Ennis** (Barnsley, East and Mexborough): What assessment he has made of the likely increase in the use of CCTV to combat crime. [80966]

The Minister of State, Home Office (Mr. Paul Boateng): We announced on 16 March that £170 million would be made available over the next three years to support the deployment of closed circuit television to combat crime and disorder. Guidance for crime and disorder reduction partnerships on how to apply for funding under the initiative will be issued soon.

Mr. Ennis: I am sure that that reply will be received extremely well by my constituents. At present, three very successful CCTV schemes operate in my constituency. One covers Barnsley town centre, and another Doncaster town centre. The third covers Grimethorpe, the former mining community that has been badly affected by drugs-related crime over the past three years. However, whenever a CCTV scheme is begun, the problem arises of crime being displaced from the area that it covers to neighbouring areas that are not so covered. Does my hon. Friend have any hard evidence about that displacement?

Mr. Boateng: The evidence that we have is that displacement is not an issue. It is interesting to note that CCTV seems to be capable of reducing crime in a particular area without displacing it to surrounding areas. That is one reason why the initiative taken in this matter by my right hon. Friend the Chancellor of the Exchequer is so very welcome. However, CCTV has to be part of a whole package. There is no substitute for police-public partnerships or vigilance on the part of the public but, in conjunction with them, CCTV can—and does—make a real contribution.

Mr. James Gray (North Wiltshire): The £170 million that the Minister has just announced will be welcome in many communities, but it is in stark contrast to the paltry £1 million that has been spent since the Government came into office. In my constituency, the people of Chippenham have had to fund their so far rather limited CCTV

installation themselves. In the new funding proposals, will the Minister undertake to examine closely Chippenham's desire to expand CCTV coverage in the town centre?

Mr. Boateng: The point is that, under the previous Government's budget for CCTV, £1 million was made available: under this Government, the sum is £170 million. The hon. Gentleman would do better to ask the right hon. Member for Sutton Coldfield (Sir N. Fowler) whether he is prepared to do battle with the hon. Member for Stratford-on-Avon (Mr. Maples) and other colleagues to match that figure. If Conservative Members cannot say that they will match it, they would do best to button their lips on the matter.

Mr. Lindsay Hoyle (Chorley): The use of CCTV has been a huge success in Chorley. Its introduction has been most welcome, but CCTV needs to be extended into the parishes, which may be smaller but are just as important. That would help with the fight against crime in the rural parts of my constituency.

Mr. Boateng: I have visited my hon. Friend's constituency, and well remember the CCTV scheme there. I urge my hon. Friend to put in a bid on the parishes' behalf. The Government have made £170 million available, but it is now possible for bids to be reopened, and I am sure that my hon. Friend will put his bid in.

Open Prisons

17. **Mr. Howard Flight** (Arundel and South Downs): If he will review the procedure for selecting candidates to serve their prison sentences in open prisons; and if he will make a statement. [80967]

The Parliamentary Under-Secretary of State for the Home Department (Mr. George Howarth): I hope that the hon. Gentleman will agree that, quite properly, the principal criterion for the allocation of prisoners to open conditions is that they are assessed as posing a low security risk. The Prison Service reviewed categorisation procedures for male prisoners last year, and is piloting a revised formula. Most importantly, it has also developed a systematic risk assessment for determining the suitability of women prisoners for open conditions.

Mr. Flight: I thank the Minister for that response, but Ford open prison is in my constituency and I can tell him that the system is not working terribly well, as was shown by the escape of a prisoner who had a serious criminal record and who had also escaped from his previous prison. An ex-governor told me that the governor's job was much like that of the headmistress of a boarding school for girls who has to solicit inmates by telephoning around junior schools.

There is no central system governing the allocation of prisoners from closed prisons to open prisons. Some closed prisons are pioneering their own open units, while some open prisons are inadequately filled. Does the Minister accept that the system that he described is not working as intended?

Mr. Howarth: As I said, that is being considered, but Ford's occupancy rate is 73 per cent. of operational capacity. Were we to go in the direction that the hon. Gentleman suggests, we would, presumably, have to send people there on a much lower standard of risk assessment than at present. We must strike the right balance so that those who go to open prisons are those considered to be the lowest possible risks. To have 100 per cent. occupancy at Ford and elsewhere, which seems to be what the hon. Gentleman would like, would mean relaxing entry qualifications, for which I am sure the hon. Gentleman would not argue.

Police Manpower

18. **Mr. David Amess** (Southend, West): What criteria he uses for setting targets for police *(a)* manpower and *(b)* ethnic recruitment. [80969]

The Minister of State, Home Office (Mr. Paul Boateng): We do not set targets for overall police numbers. It is for chief constables to determine the number of officers in their forces. Targets have, however, been set for the recruitment, retention and progression of ethnic minority officers. Forces have been set individual targets with the aim that the proportion of ethnic minority officers in each force should match that of the local ethnic minority population. Once those targets have been achieved, forces will be expected to set a continuing target of recruitment in line with the make-up of the local population.

Mr. Amess: Is the Minister aware that a growing number of my constituents feel that the Government are soft on crime, and soft on the causes of crime? How can the Home Secretary set targets for recruitment of ethnic officers in each police force without setting targets for the overall number? Can the Minister explain why the chief constable of Essex told me when I met him that, contrary to what the Home Secretary told me at the last Home Office Question Time, there has been a 1.7 per cent. cut in the force's overall funding? In addition, the Home Secretary's 10-year target means that no extra policemen will be recruited in Essex for at least three years.

Mr. Boateng: The hon. Gentleman's perception of his constituents' views has not improved since he left Basildon. Far from our cutting police expenditure in Essex, total spending in the current financial year will be £171.5 million, which is 3.2 per cent. more than would have been provided last year by the budget set by the Conservative party. That is progress under new Labour. We are tough on crime, tough on the causes of crime, and that is much appreciated in Essex, as the hon. Gentleman knows to his cost.

Ms Sally Keeble (Northampton, North): Is my hon. Friend aware that Northamptonshire police have welcomed target setting and have been successful in recruiting black and ethnic minority officers of high profile and high quality? However, the force has raised the need for targets among support staff, including, for example, crossing patrols—lollipop ladies. Not only are such posts often the first point of contact for the public with the police, but black and ethnic minority people must have as much access as white people to the high-quality support jobs that exist.

Mr. Boateng: Northamptonshire, police are to be congratulated on their efforts, and they have much to

teach us all about achieving success in recruitment without diminishing in any way the quality of applicants. My hon. Friend and Northamptonshire police make an important point about the role of support staff, and we shall take it on board as we develop future policy.

Sir Norman Fowler (Sutton Coldfield): As the Minister knows, we support more recruitment from ethnic minorities. However, as my hon. Friend the Member for Southend, West (Mr. Amess) said, there have already been reductions in the strength of police forces throughout the country. Will the Minister admit what chief constables, the Police Federation and police authorities say—that further cuts in the service are inevitable over the next two or three years on current policy? Are not such cuts against the public interest?

Mr. Boateng: On the contrary, we are supporting chief constables in their operational capacity to determine the level of police manpower that serves the needs of the local community. The power to set levels and numbers of police was a power that the previous Conservative Government reduced and removed from the Government of the day. We have a duty to do what we are doing, which is to support chief constables by a settlement that brings an additional £1.24 billion to the policing of our country. That is something that chief constables welcome. We are giving them the power to do the job—power that they never received under the previous Conservative Government.

Metropolitan Police

20. **Mr. David Crausby** (Bolton, North-East): What he is doing to enhance the recruitment, retention and promotion of black and Asian police officers in the Metropolitan police force. [80971]

The Parliamentary Under-Secretary of State for the Home Department (Kate Hoey): My right hon. Friend the Home Secretary held a conference on the recruitment, retention and progression of black and Asian police officers, at which he announced the targets that he would be setting for individual police forces throughout England and Wales, including the Metropolitan police.

The conference was attended by the majority of senior police officers and police authority chairs, and by members of the National Black Police Association. It looked at recruitment, retention and promotion and attempted to identify barriers within existing procedures that could adversely impact on ethnic minority officers. As a result of the conference, the Home Office will be developing a national strategy to help achieve those targets, which will be issued to all police forces in England and Wales, including the Metropolitan police, and to members of the National Black Police Association.

Mr. Crausby: I thank my hon. Friend for that reply. Does she agree that the Government and metropolitan police forces throughout the country face a mammoth task in persuading black and Asian men and women that the police force offers them a genuinely rewarding career?

Kate Hoey: I agree with my hon. Friend. It will be a massive task, but the police—in particular the Metropolitan police, who already have their own programme of work to tackle the recruitment, retention and progression of ethnic minority officers—must know that they have the support of the whole community in undertaking it. We will do what we can to help them, as will the community, and we are pleased at the initial response from within the ethnic minority communities, which are showing that they want to respond. We hope that we will see progress shortly.

Dr. Evan Harris (Oxford, West and Abingdon): Does the Minister feel that the recruitment of settled ethnic minority candidates to the police force will be enhanced by the fact that their immigration status will be checked by their prospective employers under section 8 of the Asylum and Immigration Act 1996—a measure which the hon. Lady was pledged to repeal when in opposition and which the National Association of Citizens Advice Bureaux and the Commission for Racial Equality have made clear has increased the amount of discrimination in employment practice?

Kate Hoey: The hon. Gentleman makes a ridiculous point and when he reads what he has said in *Hansard*, he will realise that. We must all unite to ensure that all people in ethnic minority communities are encouraged and persuaded to join the police force so that it is representative of society as a whole.

Elections (House of Commons)

21. **Mr. David Winnick** (Walsall, North): What recent representations he has received about changes to the voting system for election to the House of Commons. [80972]

The Secretary of State for the Home Department (Mr. Jack Straw): We have received a number of representations, both for and against changing the voting system for elections to the House of Commons.

Mr. Winnick: Is my right hon. Friend aware that I do not have much enthusiasm for any change in the voting system for elections to the House? Is it not a fact that, in the recent referendum in Italy, those who bothered to vote—the majority of the electorate did not—voted overwhelmingly to bring back a system similar to the one that we use in Britain?

Mr. Straw: The turnout in the Italian referendum was 49.6 per cent. and of those—just under 50 per cent.—90 per cent. voted in favour of a change towards the first-past-the-post system—which is a consideration to be borne in mind.

Mr. Michael Fabricant (Lichfield): Is the Home Secretary aware that Italy is not alone in this? Israel is also considering moving to a first-past-the-post system because proportional representation leads to weak and ineffective government.

Mr. Straw: I am aware of some concerns in Israel about the system there. I have also noted that even the most evangelical supporters of proportional representation in this country have not gone as far as to recommend the Israeli system.

Police (Inefficiency)

22. **Mr. Jim Cunningham** (Coventry, South): What progress police forces are making in reducing waste and inefficiency. [80973]

The Minister of State, Home Office (Mr. Paul Boateng): Improving police efficiency and effectiveness are key Government priorities. It is vital that the public get the best possible value from the money spent on policing. Our comprehensive spending review set the police a target of 2 per cent. year-on-year efficiency gains. We expect those targets to be met and the resources so released to help improve delivery of national and local front-line policing priorities.

Mr. Cunningham: I know that the police are mainly responsible for operational matters, but will the Minister talk to the West Midlands police, because there is concern in the Styvechle area about the Fletchamstead highway police station, whose hours are being reduced? I am sure that he knows that there have been several recent incidents in that area.

Mr. Boateng: I thank my hon. Friend for drawing that to my attention. I have every confidence in the capacity of the chief constable to meet the operational needs of the local community. He is doing a good job. We are grateful to my hon. Friend for his support for the local police. We will continue to support him and the police in Coventry in doing their job of reducing and preventing crime.

NATO Summit

3.31 pm

The Prime Minister (Mr. Tony Blair): With permission, I will make a statement on the NATO summit in Washington on 23 to 25 April. I was accompanied by the Foreign and Defence Secretaries and the Chief of the Defence Staff. Copies of the Washington declaration, the alliance's new strategic concept, the summit communiqué, our separate statement on Kosovo and other summit documents are being placed in the Library of the House.

The summit was naturally dominated by Kosovo. NATO reaffirmed its basic and unalterable demands: Milosevic must withdraw his troops and paramilitaries; an international military force must be deployed; and the refugees must be returned in peace and security to their homeland. The communiqué on Kosovo made it clear that these demands will not be compromised.

NATO decided that the air campaign should be intensified, that the number of aircraft and targets should be expanded and that the economic measures against Belgrade should be increased. In particular, we agreed an embargo on oil, to be made effective by the measures that were necessary, including maritime operations.

There was also discussion on the circumstances in which ground troops would be deployed. As I said to the House of Commons last week, the difficulties of a land force invasion of Kosovo against undegraded Serb resistance remain, but Milosevic has no veto over NATO's actions. It was agreed at the summit that the Secretary-General of NATO and the military planners should now update their assessments of all contingencies. Meanwhile, the build-up of forces in the region continues.

In addition, we agreed to provide all assistance to the International War Crimes Tribunal in respect of the atrocities committed against Kosovar Albanians. We also warned Belgrade against any move to undermine the democratically elected Government of President Djukanovic in Montenegro.

NATO's military commanders, General Clark and General Naumann, briefed the summit on the progress of the air campaign. NATO has largely isolated the Kosovo battlefield, and built what General Naumann described as a ring of steel around the Federal Republic of Yugoslavia: 690 aircraft and 20 ships are now deployed, more than double the force at the outset of this campaign. Half the key Serb fighter planes are now destroyed. FRY air defences are ineffective, with more than 70 aircraft and some 40 per cent. of SAM3s and 25 per cent. of SAM6s destroyed.

Oil refining and distribution have been massively disrupted, which has already led to Serb operations in Kosovo being halted on several occasions in the past two weeks. The day before the summit meeting, six tanks, 27 military vehicles and an infantry column had all been destroyed in Kosovo. These operations continue and, as the weather clears and more attack weapons arrive, that type of action will become a daily occurrence.

Russian efforts to find a diplomatic solution to this crisis are welcome, but there can be no alteration to our fundamental demands.

NATO will also continue its efforts to relieve the humanitarian crisis that Milosevic has cynically provoked in and around Kosovo. NATO troops have helped deliver 11,000 tonnes of aid, and provided food and shelter to some 85,000 refugees. I met the Presidents of Albania and Macedonia, and pledged Britain's support for them in dealing with the refugee crisis that Milosevic's repression has created.

The full extent of the horrific repression by Serb forces in Kosovo is only now emerging. There has been organised systematic rape of women, usually in front of husbands and children. Young men have been forced to dig graves, and then shot. Whole villages have been razed to the ground. Some of the stories of the cruelty and barbarity practised by Serb militia are evil beyond belief. We have heard reports of Kosovars hiding in the hills for weeks and having to walk for days to escape Serb repression. Some—particularly children and the elderly—died as they tried to escape. Some who have escaped—including children—have reached safety with bullet or shrapnel wounds inflicted by Serb forces. The UNHCR—the United Nations High Commissioner for Refugees—has today substantiated reports that women and children are now being used as human shields, including in a building used to store ammunition. Those acts remain the essential justification for NATO's actions.

In the meeting with the leaders of the seven non-NATO countries neighbouring Serbia, we were united in our resolve to strengthen efforts to promote stability and development in south-east Europe. For their part, what was remarkable was the view of the front-line states that the NATO action was just, and that NATO must win. Milosevic is now a pariah even in his own region.

We also looked ahead at means of contributing to the long-term stability of all the Balkan states. At our initiative, NATO leaders agreed to establish a regional security forum for south-east Europe between NATO and the countries of that region. It was agreed that NATO should work together with the United Nations, the Organisation for Security and Co-operation in Europe, the European Union and the international financial institutions in that endeavour.

The summit had an important agenda before it—quite apart from the Kosovo crisis. It was the occasion on which to adapt the alliance to meet future needs and challenges. Although NATO's fundamental role will remain the defence and security of the allies, there was an equally strong consensus on the need for a more capable and flexible alliance, able to contribute to security throughout the Euro-Atlantic area and to promote the values of democracy, human rights and the rule of law for which NATO has stood since its foundation. In doing that, member states reaffirmed their commitment to the Washington treaty and to the United Nations charter.

We approved an updated strategic concept, which set out the fundamental security tasks of the alliance and how we intend to fulfil them. Common defence and the transatlantic link will, of course, remain the bedrock of the alliance. However, the new strategic concept recognises that in today's world, the ability to respond to crises and develop partnership with countries that were once our adversaries is crucial to our interests and to the promotion of our values. The strategic concept also provides top-level guidance for the restructuring of alliance military forces. The defence capabilities initiative, agreed at the summit, will give effect to that by adapting and modernising NATO's capabilities along similar lines to this country's strategic defence review.

[The Prime Minister]

The strong partnership between the European and north American members of the alliance is the key to the success of NATO and to our security. The summit unanimously welcomed and endorsed the initiative, which President Chirac and I launched at our summit last December in St. Malo, to develop a European defence capability for crisis management operations where the alliance as a whole is not engaged.

A stronger European capability will strengthen NATO and is fully compatible with our commitment to NATO. Making NATO a more balanced partnership will strengthen the essential transatlantic link. The alliance stands ready, as the EU defines its defence arrangements, to make NATO force planning, NATO assets and NATO headquarters available for EU-led crisis management operations, subject to the necessary approval of the North Atlantic Council. We emphasised the importance of involving fully in that process those allies that are not members of the EU. Those decisions will ensure that NATO and European capabilities develop in a fully compatible manner.

In Washington, we welcomed for the first time at a NATO summit the leaders of Poland, Hungary and the Czech Republic—the alliance's new members. We reaffirmed the alliance's continuing openness to new members and agreed a new membership action plan for countries that aspire to join the alliance.

We met the Heads of Government of 23 non-NATO nations in a summit meeting of the Euro-Atlantic Partnership Council which showed the breadth of support of the alliance's efforts to spread security and stability throughout the Euro-Atlantic area. Regrettably, Russia was not represented at that meeting. However, throughout our discussions and in the communiqué, we made clear our wish to work co-operatively with Russia on a wide range of security issues and to resume regular NATO consultation and co-operation with Russia in the Permanent Joint Council.

There were two key outcomes of the summit. First, a new vision for the future of NATO was set out, of new roles for NATO, new capability and new partnership with the nations of central and eastern Europe and beyond in central Asia. Secondly, there was the total and unified commitment of all the members of the alliance to defeat and to reverse the policy of ethnic cleansing in Kosovo. Each leader began his statement by saying that NATO will and must prevail. It is now our collective task to make that victory—a victory of justice over evil—a reality for Kosovo's long-suffering people.

Mr. William Hague (Richmond, Yorks): I pay tribute to NATO's achievements. The alliance has given us peace in western Europe for 50 years and played the major part in winning the cold war. Now, it has new challenges, and there was no more dramatic sign of that than the arrival of Poland, Hungary and the Czech Republic at the summit.

We welcome the announcement of the defence agreement with Macedonia and Albania, and of the security forum with other neighbouring states. We continue to support the NATO action in Kosovo, and share the horror throughout the House at what has happened there. We believe that it is vital that NATO finishes what it has started. We again pay tribute to the courage of our service men, who risk their lives there every day. Does the Prime Minister agree that what they need at all times as they carry out their difficult job is clarity about objectives and policy?

I should like clarification of four sets of issues relating to the NATO summit, the first of which is the possible use of ground troops. Last week, the Prime Minister signalled a change in the position—a change in the language—in respect of the use of ground troops. He ruled out a land force invasion against an "undegraded"—the same word he used today—or "organised" Serb military machine, and therefore appeared to imply that a land force could be deployed against a Serb army that was degraded or disorganised.

Does the Prime Minister accept that, although that approach may well be justified, it will require a fuller explanation than has so far been given to the House, as well as clear and achievable objectives? Can he explain what success he has had in convincing our NATO allies of the case for changing the policy? Is the use of ground forces now this country's preferred strategy? The use of ground forces would take some time to plan, assemble and implement, so does the Prime Minister accept that any decision in that respect would have to be made in the very near future, if that force were to be deployed, do its job and ensure that the refugees could return home before winter set in?

Secondly, I ask about the oil embargo, which also may well be justified. NATO has decided to board and inspect all ships; will the Prime Minister assure the House that there is a legal basis for that decision? What does NATO plan to do if the ships decline to be boarded? Will force be used? Does the Prime Minister accept the need for very clear terms of engagement for sailors who will be called on to make instant decisions to enforce such a policy? May we assume that those terms of engagement have been made clear to foreign Governments? Does the pursuit of that policy carry any implications for Russian ships and for relations with Russia?

Thirdly, on the question on the removal or the future of Milosevic, the Foreign Secretary said at the weekend that the politics of ethnic hatred could be securely defeated

"only when we get a change of regime in Belgrade",

but he reiterated the fact that ousting Milosevic was not a NATO military objective. How are those two statements to be reconciled? Will the Prime Minister also clarify his comment last week that we shall carry on until Milosevic steps down?

Finally, there is a need for clarity, not only on the immediate tasks facing NATO, but on its long-term future. The Opposition strongly support a new and more flexible approach that frees the organisation from its cold war role, but where does the development of an EU-led, rather than a Western European Union-led, capability leave countries such as Turkey—countries of vital strategic importance which are members of NATO, but not of the EU? How exactly will they be fully involved and kept fully informed in the way in which the Prime Minister outlined in his statement? The communique says that the European defence identity will be developed within the NATO structures, but the St. Malo agreement that the Prime Minister signed in December provided for

the development of an EU defence identity inside or outside NATO. Are those two agreements reconciled easily?

The Prime Minister: I thank the right hon. Gentleman for his broad support of NATO's action.

Britain suggested that we should make it clear that Macedonia and Albania will receive support in whatever form they need it. It emerged from the summit that we need to provide those countries with substantial financial support through the European Union and elsewhere—and that will be done.

I pay tribute again to the courage shown by our service men and women in undertaking this military action and to the quite remarkable way in which they have assisted with the humanitarian effort. Wherever I go in the world and speak to people about the British troops in the Balkans, they say that they are stunned by the professionalism of our troops, their ability to react quickly and the way in which they really care for the refugees under their control. That reflects enormously well on our service men in every way.

The right hon. Gentleman asked about the clarity of objectives. As to ground troops, I simply repeat what I said last week and two weeks before that. I think there is a limit—as I have said before—on the degree to which we should discuss every possibility of military tactics and strategy. We continue the air campaign; we do not rule out any options. The Secretary-General and NATO have been tasked with updating their assessments and plans. The right hon. Gentleman is absolutely right: we must begin consideration and planning, for all the reasons that have been given. That is being done.

It was decided to impose an effective oil blockade, and NATO has been asked to outline the precise circumstances in which we will intercept in a maritime or other sense. We must obviously ensure that there are proper rules of engagement and that our actions are compatible with international law. Reports must be made to NATO on those points.

My right hon. Friend the Foreign Secretary set out accurately the position regarding Milosevic. The five objectives that NATO set out at the outset remain. It is not an aim of the military action to remove Milosevic. However, my right hon. Friend is absolutely right to say that, while Milosevic remains, the security situation of this region is more difficult. I think that is a statement of the obvious. The aims remain as we set them out.

The right hon. Gentleman made two final points. First, we were involved in very good discussions with Turkey in which we pointed out that it is to be involved in the decision-making process. It is important that, in developing a European strategic defence identity, we show sensitivity to countries outside the European Union. That is particularly important in the case of Turkey, which is such a valued member of the NATO alliance.

Secondly, as to the European defence initiative, the position remains as it is set out in the communiqué. In that communiqué, we make it absolutely clear that, although there will be circumstances in which the EU decides to act, they will be subject to full consultation with NATO. There is no question of NATO assets being used except with the consent of NATO. The purpose of the defence identity is to ensure that European common defence policy develops in a way that is fully compatible with NATO. There may be some in the European Union who are less sensitive to that issue than we are. However, we think it is important to get the NATO alliance's blessing regarding this defence initiative. It must be entirely clear that the European defence initiative and NATO are fully compatible and that the fundamental bedrock of this country's defence remains NATO.

Mr. Paddy Ashdown (Yeovil): This was obviously a successful NATO conference. Unity is a priceless asset at this time. I have three topics to raise with the Prime Minister: front-line states, refugees and the military.

First, I am delighted that NATO has now emphasised the condition of front-line states. Is it not the case that, if Milosevic were to succeed in destabilising Macedonia and the Thessaloniki area of Greece, he could win in Kosovo without a shot being fired? If we are to ensure the security of our rear areas, we have to make it absolutely certain that we are particularly aware of the problems of poverty in Albania—which is bearing the heavy burden of refugees—the delicate ethnic balance in Macedonia and the difficulties that the Macedonian economy will face as a result of the imposition of sanctions on Belgrade.

I draw the Prime Minister's attention to Montenegro. If President Milosevic sought to use VJ—Yugoslav army—units to overturn the democratically elected Government of Montenegro, and Mr. Djukanovic were to ask NATO for assistance, would NATO give a constructive answer to such a request?

Secondly, on refugees, is it not the case that President Milosevic uses refugees as an instrument of war, so we have to be able to win on that battlefield as well? Frankly, the UNHCR has not yet got a grip on the situation in Macedonia and Albania. We may be able to assist the UNHCR with NATO troops, and I would be grateful if the Minister gave us an undertaking that we shall do that as long as necessary, particularly in providing heavy-lift ability from the Albanian border, which was nearly swamped 10 days ago.

On the military, I agree with the Prime Minister that we ought not to be broadcasting our shots and saying in detail what we should do. That is why I wish that we had not said at the start, that we would not use ground troops. If there are to be troops on the ground, there must be clarity of mission and purpose. Unfortunately, the troops that we now have on the ground were designed, and have a mission designed, around the Rambouillet agreement. Certain elements of that agreement have simply been overtaken by events, so we must begin to update that mission and the posture.

Unless we are prepared soon to make a decision on the reinforcement of those troops against the contingency that we may have to use them on the ground, against whatever opposition there is, we may find that we have left it too late. Surely it would be a disaster if NATO were to achieve its air aims and give us an opportunity to use ground troops, but we had not made a decision early enough. Would that not be snatching defeat from the jaws of victory?

The Prime Minister: On the latter point, I agree that that is precisely why it is important that the Secretary-General and NATO are now undertaking their assessments. In any event, there is a continuing build-up of forces in the region.

[The Prime Minister]

I want to make two points about the front-line states. First, if I had any doubt about the necessity for our action—which I do not—hearing representatives of the front-line states speak at the meeting would have removed that doubt. Those people are in the front line and bear the burden of living next to Milosevic. They experience difficulties with their public opinion and attempts to destabilise their Governments and suffer the economic consequences of the events.

The front-line states have no doubt that NATO has to succeed or that Milosevic stands in the way of the future that they want for south-east Europe. That future is as part of Europe and, in many cases, part of NATO, and it is a future in which there should also be a place for a democratic Serbia. All that is possible. The impassioned speeches of those people, many of whom have difficulties at home, were the most eloquent testimony to the need to continue the action and see it through.

On the money for Albania and Macedonia, we have agreed 100 million euro of immediate budgetary aid for Albania, Macedonia and Montenegro, and 150 million euro of humanitarian assistance, but we are also considering giving those states bilateral and other assistance. So we know that we have a financial commitment, which we must stand behind, to those countries. I believe that they were greatly helped by the sense of obligation among the NATO states.

In respect of Montenegro, I can only repeat what is in the NATO communiqué—that grave consequences would follow any attempt by Milosevic to destabilise that regime. I think we know that Montenegro has been a bastion of democracy against Milosevic, and it is important that we give it every support that we possibly can.

Refugees have been used as an instrument of war. NATO troops are ready to help the UNHCR. There are still some shortcomings—which we need to deal with—in the way in which that procedure is operating, although I pay tribute to our Department for International Development, which has done a magnificent job in helping. Were it not for the British troop contribution and the contribution of DFID, the situation would be much more serious.

Mr. Donald Anderson (Swansea, East): It is clearly vital to deny the Serb war machine the fuel supplies on which it relies. How can that be done without destabilising the democratic Government in Montenegro, and what assessment has been made of the response of Russia to such a blockade of its ships?

The Prime Minister: It was precisely because of the sensitivity of Montenegro that we made mention of maritime operations. As the communiqué says, we shall look at all the ways that we can do so with sensitivity to the situation for Montenegro. In the end, however, the single best security that Montenegro can have is a swift and successful prosecution of this NATO allied effort.

A desire to keep Russia engaged emerged very strongly from the summit. We have made every effort to open lines of communication, and to keep them open. It is now clear that Russia essentially—with some differences of opinion over the nature of the international force—supports the NATO aims and demands. It disagrees, it is true, with the action that is being taken, but the fact that Russia is in that position is significant in itself, and—as I made clear—we must go out of our way to demonstrate, not just our sensitivity to Russian concerns, but our desire to make Russia part of the solution.

Mr. Tom King (Bridgwater): I strongly support what the Prime Minister just said about giving proper respect to the views of Russia.

I previously raised the question of the Secretary-General having given a security guarantee to neighbouring states. Do I understand from this communiqué that that has now been confirmed by the NATO summit in respect of any aggression from Milosevic?

May I ask the Prime Minister about something that he has not mentioned in his statement? Milosevic regarded the presence of the Kosovo Liberation Army as the one immediate obstacle on the ground to his policy of total ethnic cleansing. What is the position of NATO on the KLA? A recent report in *Jane's Intelligence Review* says that there are on the ground 24,000 KLA troops of one sort or another. Is it NATO's policy, in the present situation—in advance of any other ground troops—to give any help that it can to the KLA and the rapidly increasing number of recruits coming from other parts of the world, willing to defend Kosovar interests in Kosovo?

The Prime Minister: In respect of the KLA, the position remains as it is, in part because of the UN resolutions, although it is true that the KLA is having greater success on the ground in Kosovo, and indeed has retaken certain parts of it.

In respect of the Secretary-General and the assurances given to neighbouring states, I simply refer the right hon. Gentleman to the language in the communiqué. Milosevic should be under no doubt at all that we recognise our obligation to those surrounding states; that is what I take the words "grave consequences" to mean.

In respect of Russia, we have made a series of efforts to get a message through to it. I have spoken in the Russian media. In the speech that I made in Chicago the other night, I went out of my way to say that I think that we should be presenting a proper economic package to the G8 summit in Cologne. Of course, we must ensure that any assistance given is properly used. I think that we should almost use these events as an opportunity to renew our commitment to helping Russia make the transition. If we do that, one good will have come out of this situation.

Mr. Tony Benn (Chesterfield): Is the Prime Minister aware that the absolute human calamity that we see on our screens every day, which has become much worse since the bombing began, makes a contrast in our minds between the sums of money paid to help the refugees, running into millions of pounds, and the cost of the war, which is running into billions and billions of pounds? It is clearly creating in Yugoslavia a humanitarian crisis that, with the destruction of its infrastructure, will be much, much more serious than anybody realises.

Will my right hon. Friend explain why it was that the French vetoed at the Washington meeting the idea of a blockade? Will he indicate whether the NATO Ministers agreed in principle to the use of ground troops, or is that an issue on which they are not yet agreed?

The Prime Minister: In respect of the last two points, the position on ground troops is as I set it out, and the

Secretary-General has been tasked with undertaking the planning and assessment, as I have pointed out. The French have not issued a veto on the oil blockade. That blockade is the unanimous desire of all member states. Indeed, within the past hour, the European Union has issued a list of further economic sanctions.

There is no doubt that the conflict is expensive to prosecute. However, the policy of ethnic cleansing began before a NATO bomb ever dropped. We have just presented a series of pieces of evidence to the International War Crimes Tribunal, which is based on the details that we have received from the Kosovar Albanian refugees. I have it before me. There are pages upon pages reporting incidents of unbelievable atrocities, cruelty and barbarity carried out under Milosevic's express orders.

The campaign waged by the Serb militia and the paramilitaries in Kosovo is a deliberate act of policy. In the end, I agree that war is a nasty and expensive business. However, the choice is, and always has been, that either we allow Milosevic to do this unhindered or we stop him. The front-line states—this made the greatest impression on me throughout the summer—know that, if he had been able to carry out this policy of repression in the name of Serbian nationalism in Kosovo, the entire region would have been destabilised. We have a mission to defeat the policy of ethnic cleansing, and we must do everything that is necessary to see it through.

Sir John Stanley (Tonbridge and Malling): Will the right hon. Gentleman give further consideration to his answer about the position of Milosevic? Given the appalling atrocities for which he bears direct responsibility, is it not inconceivable that Milosevic should remain as Head of State in any circumstances when this war is over?

The Prime Minister: The aims remain as they are. However, I said earlier that, first, I do not regard these aims as a matter of negotiation with Milosevic and that, secondly, there is no doubt that the security of the region remains at risk while he remains in power. This is NATO action and it is taken on the basis of the demands that we set out, and those remain the objectives.

Ms Rachel Squire (Dunfermline, West): I join my right hon. Friend in particularly welcoming his support of the front-line states, which are dealing daily with the threats and human consequences of Milosevic's brutal regime. Does my right hon. Friend agree that their support for NATO gives a sign of how successful NATO has been as a military alliance for the past 50 years? Does he further agree that those of us who have grown up in western Europe since the end of the second world war should not forget that the peace and security that we take for granted in our daily lives have been delivered largely by NATO?

The Prime Minister: I agree entirely with those sentiments and would add two things. First, let us never forget that 250,000 people died as a result of the Bosnian conflict and 3.25 million people are refugees as a result of Milosevic's earlier actions. Therefore, allowing him to carry on that policy now would be gravely irresponsible.

Secondly, NATO has been a success, without any doubt. It will continue to be a success if it succeeds in setting its course and direction against this policy of ethnic cleansing. If NATO succeeds, the next time someone tries such a policy and we make a threat it will be credible. Were we to fail—which we will not and must not—the opposite would happen: people would know that, when NATO threatened, it would not be a threat to be taken seriously. That is why people do not talk about NATO's credibility in some abstract sense; it is a necessary part of building peace and security for the long term.

Mr. Julian Brazier (Canterbury): I join the Prime Minister is his condemnation of President Milosevic, but is it none the less the case that any settlement in Kosovo that is deeply objectionable to the bulk of the Serb people would not stick and would eventually be a recipe for trouble—year after year and generation after generation?

The Prime Minister: In France, at the Rambouillet talks, we had a solution that would and should have been acceptable to the Serbian people. It was rejected by Milosevic. If anyone is responsible for the present situation, it is him; but I do not know what the hon. Gentleman is suggesting. I cannot imagine anything more irresponsible than entering into an agreement guaranteeing the rights of people in Kosovo only with the permission of Milosevic.

Mr. Andrew Mackinlay (Thurrock): In what circumstances would NATO or the Government seek a mandate from the United Nations to put in ground troops? Is the Prime Minister aware that many of us who support the broad thrust of policy are nevertheless somewhat unhappy and find some difficulty in respect of our mandate?

There is provision in the UN charter—the uniting for peace procedure—whereby a special meeting of the General Assembly of the UN can be called to give a mandate. Will that be considered as one of the options in relation to the general policy and, specifically, can we be assured that, whether troops go in to broker peace or go in as peacekeepers, an attempt will be made to get the support of the UN—either at Security Council or at General Assembly level—particularly in view of the increasing marginalisation of Russia, which is felt in that country?

The Prime Minister: The way to answer that is to say again that we keep in close touch with the UN. The Secretary-General has been involved and has essentially backed the NATO demands. There is a difficulty with saying that we will only ever act with a UN mandate, for reasons that are obvious to people. Of course we always prefer to act in such a way, but the action that we have taken is justified in its own terms and we believe that it is lawful in its own terms. That does not mean that we do not work closely with the UN and, indeed, with Russia. That is precisely what we are doing.

Mr. Martin Bell (Tatton): I wonder whether we can ask for a little more clarity about targeting; we need it because last week, for the first time, NATO attacked a target—the television station in Belgrade—which could not have been destroyed but for the certainty of killing civilians inside it. With that attack, NATO crossed a rubicon which, in my judgment, should not have been crossed. If we are unwilling to adopt a conclusive

[Mr. Martin Bell]

strategy—which, as the Prime Minister knows very well, includes the use of ground troops—surely we have to spare the innocent civilians.

The Prime Minister: People cannot have this all ways round, I am afraid. The television stations and the Serbian media are part of the Milosevic power apparatus—part of the apparatus that keeps him in power and allows his dictatorship to carry out the policies of ethnic cleansing. I have no doubt at all that action was justified. We do everything we can to minimise civilian casualties, but I am afraid that a conflict such as this is an unpleasant business. There is no nice way of conducting it. What is important is to conduct it in such a way that we leave Milosevic and his regime in no doubt that we will carry on pounding every part of that regime day after day until it accedes to the NATO demands. That is the only thing that we can do. The best answer to people who accuse us of risking civilian casualties is to say that we do everything that we can to avoid civilian casualties. Compare and contrast that with the deliberate and brutal murder of people in Kosovo.

Mr. Tam Dalyell (Linlithgow): If the Prime Minister is so certain about the states in the region, why are the Austrians denying NATO air space? Why are the Greeks denying NATO the use of the port of Thessaloniki and why has the mayor of Athens said that not a dock worker will lift a finger to help NATO in the port of Piraeus? When the Prime Minister answered the Leader of the Opposition, he talked about proper rules of engagement, and when he answered the Chairman of the Foreign Affairs Committee, he said that every effort would be made to keep the lines of communication open. Let us suppose that a Russian oil ship were challenged entering the port of Bar or somewhere else in the Adriatic and refused to accept that challenge, what would then happen?

Finally, may I say to the Prime Minister that some of us—it may be a minority—are utterly, utterly appalled that he should have been the hawk in Washington?

The Prime Minister: First, in respect of Austria, the point about air space is in its constitution. Actually, Austria has been fully supportive of the NATO action. Secondly, the Greek Government are not denying NATO the use of Thessaloniki. Thirdly, I have already said that NATO has been charged with looking at how the oil blockade is conducted properly in accordance with international law. We would be fundamentally lacking in seriousness if we were undertaking military action and trying to cut off the oil supplies that Milosevic needs in order to have his tanks and other military vehicles carry out that appalling repression on the ground in Kosovo, without taking every possible measure to deny him the fuel. That would be utterly irresponsible. The better that embargo is, the swifter the resolution of the conflict will be.

As for being a hawk, it has nothing to do with that. I happen to believe that we are right to take this action. Having done so, we must see it through. It is as simple as that. I simply ask my hon. Friend to read the account that we shall submit to the International War Crimes Tribunal of what those people have done. Page after page shows that, in whole villages, people have been driven out at the point of a gun, if they are lucky, or murdered on the spot, if they are not lucky. Some of the tales of brutality towards the women on the part of the Serb militia are just unbelievable.

We cannot deny those facts. They are happening. We either do nothing and say that this can carry on—in the south-east of Europe—or we act. There are no easy options, which is why, for nine months, we tried to find a diplomatic solution. We bent over backwards to get a diplomatic solution. Possibly, we did more than we should have done; but we did it because we knew that, once a conflict starts, those ghastly things happen. We knew that there would be civilian casualties—there always are in a conflict such as this—but we cannot allow a policy of racial genocide to continue unchecked in Europe. If we did that, everyone who believes in the principles of my political party would feel a sense of betrayal.

Mr. Ian Taylor (Esher and Walton): As I was in the United States in the past few days, I welcome the Prime Minister's efforts to strengthen the body politic of the United States. First, is he absolutely convinced that the American President understands that this venture, now launched, will almost certainly require ground forces, and will the American President therefore lead American public opinion? Secondly, in his statement, the Prime Minister referred to "international military force" going into Kosovo. Did he mean a NATO-led force, which might well have international support? Lastly, I welcome the NATO statement on links with the European Union; but was it apparent from all the members of both organisations—NATO and the EU—that the European countries would probably need to increase their defence effort over the next few years, certainly if EU efforts were to be credible in any future ventures?

The Prime Minister: I have found America, and the American President in particular, to be absolutely staunch throughout this action. Let us be quite clear: this action would not be happening without the strength and support of the United States of America. I believe that the leadership that has been shown by America is wholly welcome and will remain. On the issue of the international military force, as I said in answer to questions last week, we believe that other nations could be involved, but it must have a NATO core.

The hon. Gentleman makes a fair point about the defence effort. EU countries will have to give serious consideration to what the defence capability in Europe should be in the next few years, as will other NATO countries. The strategic defence review puts us at the head of the game by quite a considerable distance—that is recognised by most of the other NATO countries—because it expands the elements of strategic capability that we need for such operations. The hon. Gentleman is quite right in saying that, if we are to develop any sense of a proper European common defence policy, we must realise that that begins with capability.

Mr. Giles Radice (North Durham): Is my right hon. Friend aware that most hon. Members applaud the unity and determination of the NATO alliance to ensure its objectives in Kosovo? Is he also aware that many of us

believe that, sooner or later, considerable numbers of ground troops will be required in Kosovo if the Kosovar refugees are to return home?

The Prime Minister: I believe that there is support for our objectives in the House. I do not want to add to what I have already said about ground troops, except to say that it is important for people to understand that the air campaign would, in any event and on any basis, be carrying on now. That campaign is being intensified, and, as the weather clears, it can be made more effective. It is possible both to exaggerate and to understate its impact. It is having a huge impact on Milosevic's military capability, and it is important that it continues and intensifies.

Ms Roseanna Cunningham (Perth): With specific reference to the decision on the oil embargo, the Prime Minister will be aware of recent reports suggesting that, among others, Texaco shipped oil from west Wales to Serbia some three weeks after the bombing started, that the French were delivering diesel as recently as 21 April, that the Italians and Greeks have continued to supply oil and that the Hungarians shipped Russian oil at the beginning of April.

Given the Prime Minister's remarks about being taken seriously on the imposition of the oil embargo, will he explain why these deliveries have been allowed to continue, particularly from countries with NATO membership? What does he think should be done with the profits that the companies have made from those deliveries? Has not an oil embargo always been one of the most effective sanctions against Serbia? Why was the decision to impose an embargo not taken considerably earlier?

The Prime Minister: It is precisely to make the oil embargo effective that the European Union has made it clear that all its members are expected to ensure and police the effectiveness of the oil embargo. That was the reason for the NATO statement. The idea that economic sanctions or the oil embargo alone would stop Milosevic is pie in the sky and naive beyond belief. We require the economic blockade and the oil embargo alongside other measures that are being taken. That is the only realistic way of defeating Milosevic.

Mr. Denzil Davies (Llanelli): When will the oil embargo commence? Will it involve, if necessary, the stopping and even the seizure of Russian ships carrying oil?

The Prime Minister: European Union members are committed to ensuring that no oil reaches the Serbian regime. As I said earlier, the NATO planners are charged with ensuring that the oil embargo is carried out in accordance with international law. I repeat to people who raise the issue of Russia to cause difficulties over the oil embargo that we would be very foolish if we conducted this air campaign without taking every measure possible to cut off the supply of fuel to Milosevic's regime.

Mr. Edward Leigh (Gainsborough): In his reply to my hon. Friend the Member for Esher and Walton (Mr. Taylor), the Prime Minister used the phrase "NATO core". In the past, we have heard references to a NATO-led peacekeeping force. At the NATO summit, were there any discussions about the make-up of the peacekeeping force to try to bring the Russians on side? They are the key to the process.

It may well be true that NATO has to leave a force in the bulk of Kosovo, for obvious reasons, but was there any discussion of the possibility of a Russian-led peacekeeping force operating in areas of Kosovo, particularly those adjacent to Pec, near the monasteries, which are sacred to the Serb nation and the whole Orthodox world? That might reassure Serbia and her allies, and thus secure a settlement that would be accepted by both sides.

The Prime Minister: The hon. Gentleman referred to areas that are sensitive for the Serb minority. I shall not go into the details of which parts of the international force, when it arrives, will go into which areas to police them; that will be discussed at a later stage. It is, however, important for us to state constantly that our policy is to ensure that people in Kosovo, whether they are Serbs or Kosovar Albanians, can live in peace. That is an important part of our objectives. We are not fighting a battle on behalf of one ethnic community against another; we are fighting a battle for all ethnic communities to enjoy the same rights and freedoms.

I use the terms "NATO core" and "NATO-led force" interchangeably. As for the involvement of Russian troops, we have suggested that Russia could be part of such a force, and there are precedents for it.

Mr. Dale Campbell-Savours (Workington): Given that more than half a million people in Serbia are on-line on the internet, and given that CNN and BBC News 24 are listened to by perhaps millions of people there, is it not clear that ignorance can no longer be an excuse? Those people know exactly what is happening in Kosovo. That being the case, why does NATO not take a more hawkish line in its selection of targets and start to attack centres of public administration, so that public confidence in the state can be broken down in that society?

The Prime Minister: We believe that a large part of the population is completely in the grip of the Serb-controlled media. My hon. Friend will know that, just a few days ago, one of the most respected editors of a newspaper opposed to Milosevic was murdered. That is how Milosevic deals with people who oppose him in the media. As for the targets, they are carefully chosen when there is a civilian element, but the target is part of Milosevic's power apparatus. I think that they are the right targets.

Dr. Julian Lewis (New Forest, East): In eastern Poland, during the second world war, my family underwent an experience very similar to the ordeal suffered by the Kosovars today. The handful who survived were rescued by Russian ground forces. No amount of aerial bombardment could have saved them. Milosevic should not have been told at the beginning that the use of ground forces was out of the question. Will the Prime Minister now reverse the statement that he made at the beginning of the crisis?

The Prime Minister: I have set out the position relating to ground forces, and I see no reason to go over it again. However, let me say to the hon. Gentleman—

[The Prime Minister]

I know and respect his reasons for feeling strongly—that, even if we had committed ourselves to any number of land force invasions at the very beginning, we would be where we are now. The important thing is to ensure that we conduct all the necessary assessments, and continue to build up forces in the region.

Mrs. Alice Mahon (Halifax): In the event of a blockade of Yugoslavia, will NATO stop by force Russian ships from delivering oil or other goods to the port of Bar in Montenegro?

The Prime Minister: I have said in answer to earlier questions that NATO has charged its planners with coming back with a way of ensuring that the oil embargo is satisfactory, consistent with international law, and I really do not intend to add to that.

Mr. Michael Colvin (Romsey): When the Prime Minister spoke of NATO's new strategic concept, he referred to the Euro-Atlantic area. Are we to take that to mean that NATO is still a regional security organisation? Bearing in mind the reach of intercontinental strategic missiles, their proliferation around the world and Britain's worldwide national interests, may we take it that NATO can perform operations out of area? If so, will the right hon. Gentleman say something about the mandate required? Is it possible for NATO to mandate itself through the North Atlantic Council, or will a mandate always require a United Nations Security Council resolution? If the latter, will NATO not become a United Nations enforcement force?

The Prime Minister: In respect of the hon. Gentleman's latter point, we state in the communiqué that of course we want to act with United Nations support, which is important. However, we cannot—as we are not doing in Kosovo—say that those are the only circumstances in which we shall ever act.

We are still essentially a regional alliance. However, NATO is changing and adapting, because the world in which we live is changing and adapting. The fact is that, 15 years ago, or even 10 years ago, NATO's purpose—which arose out of the cold war—was very clear; today, the position is different. The purpose of the new strategic concept is to allow us the flexibility, when we believe it necessary, to take other action. In the communiqué, we set out some of the circumstances in which that might apply. However, no, that does not change the basic nature of the alliance.

Mr. Stuart Bell (Middlesbrough): The House will have been moved by the Prime Minister's description and definition of what constitutes ethnic cleansing—barbarity, cruelty, brutality and the human calamity to which my right hon. Friend the Member for Chesterfield (Mr. Benn) referred. That type of suffering is not a once-in-a-lifetime matter, but—for those who have suffered it—lasts for a whole lifetime.

The Prime Minister mentioned an enhanced European capability for the European Union. Does he agree that a common foreign and defence policy for the Union is evolving?

Those who have listened to this debate will have heard the encouragement that the Prime Minister has given to Russia. Will he comment and elaborate on the visit of a high-ranking United States diplomat to Viktor Chernomyrdin, and agree that that line of communication should be kept open?

The Prime Minister: On the latter point, all lines of communication remain open. The purpose of the visit is obviously to continue to keep Russia engaged, and to try to ensure that Russia understands that we have no quarrel with the Russian people. However, we believe that the demands have to be met in full. Moreover, as I said, those demands are now very largely supported by Russia itself.

My hon. Friend was right on European capability. The common foreign and security policy is an agreement into which the European Union has entered. I think that we shall learn many lessons from the conflict in Kosovo about how that policy should be conducted in future.

Several hon. Members *rose—*

Madam Speaker: Thank you, Prime Minister.

London Bombings

4.29 pm

The Secretary of State for the Home Department (Mr. Jack Straw): With permission, Madam Speaker, I should like to make a statement about the bomb attacks at Brixton and Brick lane.

Last week, on Saturday 17 April, the explosion in a busy market street in Brixton, south London, injured 39 members of the public and three police officers. This Saturday, at about the same time, another improvised device exploded at Brick lane in east London, injuring six people. In both cases, no warnings were given.

I know that I speak for the whole House in expressing my deep sympathy to those injured in the blasts and to their families and friends, and our admiration for the very prompt way in which the police, fire and ambulance service responded.

Sir Paul Condon, the Commissioner of Police of the Metropolis, yesterday emphasised that the investigation into those evil acts is the No. 1 priority for the entire Metropolitan police service. The investigation is being led by the anti-terrorist branch, which has a great deal of experience of this kind of outrage, but the perpetrators are likely to be brought to justice only with the help of all sections of the community. I urge anyone who believes he or she has information which might help the police to contact them immediately.

Sir Paul Condon has already stated that he considers that the bombings were racially motivated. Brixton is at the heart of London's African-Caribbean community. Brick lane is at the heart of Britain's Bangladeshi community. I want to make clear that any attack on those communities is an attack on all British people—[HON. MEMBERS: "Hear, hear."]—and the whole of British society. We will not tolerate racism of any kind, still less this pernicious and abhorrent violence.

Ours is a country that can be proud of its achievements in race relations, which make it a better and stronger society. Of course there is much more to be done to make Britain a truly multiracial and multicultural society, but the overwhelming public support for the recommendations of the Lawrence inquiry shows the strength of our commitment to achieve that aim.

The criminals who committed those attacks will not succeed. As in Brixton last week, the whole community in Tower Hamlets has come together to assist the police in every way possible. As my hon. Friend the Member for Bethnal Green and Bow (Ms King) said,

> "History shows we do not tolerate this type of racism, however violent. If anything, I hope that some good will come out of this because both the black and the white community will strengthen so it will be overcome".

While the perpetrators of the violence remain at large, there is plainly a risk that they may strike again. We must meet that threat with vigilance, but without panic. The police are pursuing the investigations of the bombings and the protection of the public with the utmost vigour. I have every confidence in them, and I know that the whole House will share their determination and condemn those mindless crimes.

Sir Norman Fowler (Sutton Coldfield): The Opposition join the Home Secretary in utterly condemning this action and the people responsible for it. We also join him in sending our deep sympathy to those injured by the two bombs. I also pay tribute to the emergency services, particularly the police, who demonstrated in a very practical way that they are there to serve all the community.

Let me ask the Home Secretary three short questions. First, is not the most important message that we should send out that such bombings will in no way influence policy or affect our determination to achieve the best possible community and race relations in Britain? A few extremists, however dangerous they may be, will not alter that aim and if the people who planted the bombs think otherwise, they do not understand either the determination or the decency of the British people.

Secondly, will the Home Secretary say something about the potential danger in cities outside London which have significant black and Asian communities? I assume that there is the prospect of the terrorists attacking other cities, so what precautions are being taken?

Finally, may I ask the right hon. Gentleman about policy on the future strength of the police? The police now face demands for more community policing and more policemen and policewomen on the beat, as well as other officers to deal with such outrages. Does the Home Secretary agree that now is an opportunity to assess anew the demands on the police service and to look at future policy on the strength of the service?

Above all, this afternoon we join the Home Secretary in absolutely condemning the bombings and the people responsible for them. We want more than words of condemnation, however: we want the most effective possible action to be taken to bring these terrorists to justice.

Mr. Straw: I am grateful for the right hon. Gentleman's support for what I said, and especially for the support that he has expressed for the efforts of the police and the other emergency services. I am in no doubt of the resolve of Sir Paul Condon, the Commissioner of Police of the Metropolis, and of every other officer in the service to ensure that those who perpetrated those terrible deeds are apprehended and brought to justice.

The right hon. Gentleman asked three questions. First, he asked whether I believe that such bombings may influence policy, and the right hon. Gentleman spoke for the whole House when he answered that question himself. Indeed, I believe that such outrages merely strengthen the resolve of every decent person in the country to reject racism in all its forms and to work towards a multiracial and multicultural society.

Secondly, the right hon. Gentleman asked about the potential danger in other cities. As I said in my statement, there continues to be a risk while those who perpetrated the bombings remain at large. By definition, we do not know where they may decide to plant bombs next, if they in fact make such a decision. That emphasises the need for vigilance in all communities and especially in those with substantial numbers of black and Asian people. Of course, police across the country are giving guidance to such areas, and especially to those that are considered vulnerable.

Finally, I can tell the right hon. Gentleman that the resources available to the Metropolitan police service were increased by 2.7 per cent. this year. As part of that,

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I increased by £25 million the special payment to the Metropolitan police service in respect of its national police functions, and it now has the resources to fight this kind of outrage.

Ms Oona King (Bethnal Green and Bow): The House has just heard about the Government's welcome and proactive role in combating ethnic cleansing in Kosovo. Will my right hon. Friend confirm that the Government will be equally proactive in tackling ethnic cleansing in our country, whose most recent manifestation occurred in my constituency? I hope that my right hon. Friend will forgive my presumption that his answer to my question will be yes. Will he therefore consider making extra, emergency resources available to the communities that are being hit? That would allow the Brick lane police station to remain open, for a limited time, for 24 hours a day.

Also, will my right hon. Friend visit my constituency, so that he can hear the concerns of local residents? If so, will it be possible to make that visit within the next 24 hours, perhaps? Finally, when will he bring forward a new race relations Act to ensure that the only thing that is nailed—in my constituency or anywhere else—are the profoundly undemocratic and unpatriotic forces of racism?

Mr. Straw: On my hon. Friend's first point, at least the injuries suffered at Brick lane and Brixton are not on the scale of those incurred in Kosovo, but she is of course right to point out the link between the two sources of violence. That link is racism: people who hold such evil views decide that whole groups should be considered to be without human rights simply because of their skin colour or religion.

I shall of course raise with the Commissioner the question of resources for the Brick lane and Brixton areas, but so far he has not requested additional resources. My hon. Friend asked also about the Brick lane police station. In many parts of London, divisional police stations are open for 24 hours a day, while sector bases such as Brick lane police station are open for a limited number of hours each day. Up to now, that police station has been open for eight hours a day, and those hours have been publicised in the local community. However, I now understand that the base will be open for a minimum of 12 hours a day for the foreseeable future. I shall be happy to discuss the possibility of longer opening hours with the Commissioner.

My hon. Friend asked whether I would visit her constituency, and I plan to do so tomorrow. There are always questions about whether Ministers should visit the scenes of such crimes immediately. I discussed the matter with the Commissioner last Saturday following the first bomb outrage, and we jointly decided that it would inevitably detract from police efforts if I visited Brixton then. In my judgment, the fine balance to be struck was better struck when the local Member, my hon. Friend the Member for Vauxhall (Kate Hoey)—who happens also to be a Home Office Minister—visited the area to discuss the problems that had arisen following the outrage. It is similarly right that my hon. Friend the Member for Bethnal Green and Bow (Ms King) should take the lead following the outrage in her constituency.

My hon. Friend asked about a new race relations Act. She will know from my statement on the Lawrence report in February that we aim to legislate as quickly as possible, and I hope that that will happen next year.

Mr. A. J. Beith (Berwick-upon-Tweed): Is the Home Secretary aware that there is revulsion throughout the country at the way in which these crimes have visited injury on ordinary families going about their Saturday activities? Does he recognise that minority communities—racial and religious—will want to see evidence of extra security and support around commercial centres, community buildings and places of worship during the coming days? Is he satisfied that the existing law on incitement to racial hatred is being used actively enough to deal with some of the literature that circulates and that may act as a kind of recruitment for people to help those who committed those terrible crimes?

Mr. Straw: I join the right hon. Gentleman in his condemnation of the bombings. Considerable efforts are being made to give advice, support and guidance and to try to reduce risks in areas deemed vulnerable. However, as long as the people who committed these evil acts and others like them are at large, we cannot eliminate risk. We must be on our guard and we must be vigilant, but, at the same time, we must not panic and allow those people to achieve their aim of the disruption and dislocation of the communities in which they are carrying out their evil deeds.

As to the existing law on incitement, under the Public Order Act 1986, prosecutions for incitement to racial hatred require the agreement of the Attorney-General. My recollection is that about 45 prosecutions were authorised in the last period for which statistics are available. I have seen no evidence that there is a particular problem with the law on incitement, but there may be difficulties in the way in which the law is framed when it comes to evidence.

Certainly, there is a problem with incitement on the internet as its authors may come from outside our jurisdiction. We have actively considered that point, not least in the context of the G7-G8 agenda on the fight against organised and international crime.

Ms Diane Abbott (Hackney, North and Stoke Newington): Is the Home Secretary aware of the great fear and concern that the two nail bomb attacks have provoked in black, Asian and Jewish communities? He will know that in addition to having one of the largest black communities in the country, my constituency has one of the largest, and oldest, Jewish communities. Is he aware that people up and down the country, whether in Bradford, Birmingham, Hackney or Willesden—black and Asian people—are wondering whether their community will be next? Is he aware of how much those communities welcome his strong stand on those outrageous attacks?

Mr. Straw: I am grateful for what my hon. Friend has said. I am aware of the great fear in black, Asian and Jewish communities. It is particularly poignant that there have been repeated waves of immigration in the Brick lane area. Indeed, a building there was first a church, was then a synagogue and is now a mosque, illustrating the multiracial, multicultural nature of society in the area.

We are doing everything that we can to minimise the risk to communities and to give people advice, support and guidance. However, as I said, we must remain very much on our guard as long as such people remain at large.

Mr. John Wilkinson (Ruislip-Northwood): All terrorism is vile. Is it not the case that it needs to be deterred with exemplary non-remissible sentences? Were not the outrages at Brixton and Brick lane particularly despicable not merely because of the terrible injuries that they caused, but because of the deliberate intent to provoke prolonged intra-communal strife in this country? Will the Home Secretary look again at the answer that he gave my right hon. Friend the Member for Sutton Coldfield (Sir N. Fowler) on police resources, as Conservative Members have long been making representations to the Home Office about the fact that police manpower has gone down in the capital under this Administration and needs to be increased significantly?

Mr. Straw: I regret the fact that the Opposition have decided to use this occasion to make points about police resources, which I do not believe are justified. Since the right hon. Member for Sutton Coldfield (Sir N. Fowler) and the hon. Gentleman have raised the matter, it is a matter of record that the strength of the Metropolitan police declined by 2,000 between 1992 and 1998 in a period for which the Conservative party was responsible. As I have made clear to the House, for this year, in the first period for which this Government have followed their own public spending plans, the Metropolitan police commissioner has told me that he is satisfied that police numbers will remain as they were last year, within the range of plus or minus 75. Resources have been substantially increased to the Metropolitan police service and are, in my judgment, entirely adequate for the task.

On the type of sentences that the perpetrators of this sort of violence may receive from the courts, obviously I cannot anticipate any trial or conviction, but the courts have always regarded such outrageous acts of indiscriminate violence extremely seriously and have ensured sentences that reflect the seriousness of the crime.

On the motives of the bombers, the hon. Gentleman said that there was a deliberate intent to provoke intra-communal violence. I think that he is right about that and I take this opportunity to pay my tribute to some of the community leaders who recognised that from the outset and who have not fallen into that trap. I mention two by name. Mike Franklin and Arlene Mundle, who are respectively the chair and vice-chair of the Lambeth community police consultative group, acted with great restraint, dignity and responsibility when the first outrage took place in Brixton just over a week ago.

Mr. Peter Mandelson (Hartlepool): I welcome the Home Secretary's firm statement and would highlight the steady and calm response of the communities in the areas affected by those wicked and cowardly outrages. I mention in particular the great sense of responsibility of the community leadership in Lambeth—the area that I know best—which my right hon. Friend mentioned. He was right to single out the very responsible and dignified response and role played by the Lambeth community police consultative group and, in particular, Mike Franklin and Arlene Mundle. That view and admiration is shared by the Under-Secretary of State for the Home Department, my hon. Friend the Member for Vauxhall (Kate Hoey), and my hon. Friend the Member for Streatham (Mr. Hill). Does my right hon. Friend agree that that strength of community leadership is essential in such circumstances? Does he also agree that strengthening the co-operation between the community and the police is equally essential if communities are to get through and to withstand the sort of outrage experienced in Lambeth and Bethnal Green?

Mr. Straw: I am grateful to my right hon. Friend for his remarks. He knows Lambeth well, not least as a former councillor for the area. As I know, as a resident of Lambeth for 20 years, one thing that has been very much to the good in recent years has been the way in which relations between the police and the community in the area have greatly improved since the terrible period in the early 1980s. The strength and resilience of a relationship are truly tested only when such incidents occur. It is tested not in committee rooms, but in real situations. The police and the community passed that test in an exemplary way, and I commend them all.

Mr. Michael Fabricant (Lichfield): The Home Secretary will know that the whole House condemns these terrible acts. Can he confirm reports that emerged over the weekend that peers of Jewish, black and Asian origin have recently received death threats and racist letters? Does he believe that there is any connection between that and the two recent events in London? To what extent does he think that there might be a conspiracy rather than a small, evil cell operating in London?

Mr. Straw: I cannot give any information about whether peers have received death threats. None has come to my attention. It is perfectly possible that peers, like Members of this House, have received revolting racist mail. I am afraid that that happens and it is to be deeply condemned when it does. It is impossible to put a precise figure on the number of people involved in extremist violent right-wing organisations, but I emphasise that all the evidence suggests that the numbers are very, very small indeed and diminishing, as they have done over the years. We must be vigilant because such people, however few in number, plainly have a capacity to commit great violence; it was fortuitous and providential that no one was killed in either outrage. We should not dignify their outrages by suggesting that they are anything other than a mindless and tiny band of evil people.

Mr. Gerry Sutcliffe (Bradford, South): These bombings are extreme acts of cowardice perpetrated by a minority. I am grateful to the Home Secretary for mentioning other communities in fear, such as mine in Bradford. Fear will not win. The communities will be united in opposing all forms of racism, as we have done in Bradford over many years. Will he consider the activities of groups such as Combat 18? West Yorkshire police have been informed about many of the activities of this minority, but will he ensure that such information is acted on as quickly possible?

Mr. Straw: I agree with my hon. Friend, particularly in respect of the community in Bradford. Wherever groups such as Combat 18 come to the notice of the authorities, they are the subject of study. That gives me an

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opportunity to repeat that while the anti-terrorist branch is bringing its extensive professional skills to bear on the Brick lane and Brixton investigations, the perpetrators are much more likely to be apprehended if information about those who are likely to have committed these acts is provided by members of the public. I repeat my appeal, as the Commissioner has done, that any people with any information about neighbours, people at work, or people they know who appear likely to be involved in such organisations should tell the police. If they do not wish to give their identities to the police, they should phone the Crimestoppers number, which is 0800 555 111.

Mr. Dominic Grieve (Beaconsfield): I join the Home Secretary in condemning these appalling crimes and, as a former vice-chairman of the Lambeth police community consultative group, in his praise of that group and the remarkable change that it has brought about in intercommunity relations in Lambeth in the 10 years since I was involved in it. Does he agree that it is important in dealing with such problems to isolate those who perpetrate such crimes? The best way to do that is to create a climate in which even people of the community involved who might sometimes be tempted towards the perpetrators' views, in their awareness of the hideous consequences, help to isolate them and provide the information that may lead to their arrest. It is important to categorise their activities as the criminal acts that they are and not to draw wider conclusions, which is often tempting and thereby starts to create the intra-communal tensions that I am certain are exactly what these people seek.

Mr. Straw: As a former vice-chairman of the Lambeth police community consultative group, the hon. Gentleman brings to bear in his remarks considerable experience of policing in the inner city. I am pleased that he endorses what I have said, and what others have said, about the great change—a most optimistic change—that has occurred in police-community relations in Brixton during the past decade. He is right to say that people who perpetrate these crimes need to be isolated; they should not be dignified with any ideological or political label. They are criminals and terrorists first and last.

Mr. Clive Efford (Eltham): Does my right hon. Friend share my concerns about the ease with which publicity is gained by certain right-wing groups on the back of the events that have occurred during the past two weeks? Is he concerned that the media are too willing to name groups with no evidence that they are involved in such crimes? I am not suggesting that there should be any form of censorship, but does my right hon. Friend think that there should be some voluntary restraint on the part of the media? Does he share my concern that the ease with which such groups have obtained publicity could encourage a deranged individual or group to commit further crimes and seek similar notoriety because they are members of an organisation, rather than merely violent criminals?

Mr. Straw: I understand the point that my hon. Friend makes. However, there is a fine balance to be struck and a fine line to be drawn—both for the media and for Ministers—between not giving those individuals the oxygen of publicity, while recognising that they have committed outrages and inflicted considerable violence. The public have a right to know about that and to understand the concern that, for example, the Government and Members of Parliament have about such matters.

I have no complaint about the way in which the media have handled these matters. In relation to the balance to which I referred, one of the reasons that the police held back before they concluded that the bombings were racist crimes was precisely that they did not wish to give unjustified publicity to the right-wing extremist groups which—it now appears—committed those crimes. Happily, I do not think that anyone has criticised the police for holding back their judgment until they were reasonably certain that the crimes were racist. For similar reasons, when the Brixton outrage took place, after discussions with the Commissioner, I decided that it would not be appropriate for me to visit the area—as I pointed out to the House earlier. That was not because I was not concerned—indeed, I was extremely concerned—but to ensure that we calibrated the response to meet the public's concerns, and not the perpetrators' appetite for gratuitous publicity.

Mr. Richard Allan (Sheffield, Hallam): The Home Secretary will be aware of the racist filth that feeds organisations involved in such crimes. I hope that he shares my appreciation for the work of Gerry Gable and *Searchlight* magazine in bringing to public attention the producers of that material. The right hon. Gentleman has already mentioned taking action against racist material on the internet. As a priority, will he also investigate the producers and distributors of CDs of racist music, and the organisers of racist music concerts? A recent report in *Searchlight* showed that that music is a key component in the funding of organisations such as Combat 18, so that they can carry out crimes.

Mr. Straw: I pay my own tribute to *Searchlight* and its editor for the phenomenal work that they have done over the years in exposing racists and other extremists. As for the producers of racist CDs, they are subject to the law—as are other publishers. If the hon. Gentleman has any evidence about that matter, I should be happy to receive it.

Mr. John McDonnell (Hayes and Harlington): The Home Secretary has visited my constituency on several occasions and is aware that we have one of the largest Sikh communities in the country. Indeed, yesterday at the Royal Albert hall, he was entertained by children from the Guru Nanak Sikh college in my constituency. My right hon. Friend will be aware that the community is anxious about being a soft target. I ask him to consider urgently applications for additional resources for closed circuit television cameras to cover our town centre and other vulnerable areas, so that we can at least increase our vigilance, as he urges us to do.

Mr. Straw: I have indeed visited my hon. Friend's constituency on many occasions; as he says, it contains one of the largest Sikh communities in the country. One event that emphasises the progress that we in this country have made in community and race relations was yesterday's wonderful celebration at the Royal Albert

hall, attended by His Royal Highness Prince Charles, when 5,000 Sikhs came together to celebrate the 300th anniversary of the 10th Guru Gobind Singh. It was a wonderful, ecumenical and multi-party celebration that showed the strength, not only of the Sikh community, but of the determination of all our communities to make this country a truly multiracial society.

On the question of soft targets, I understand my hon. Friend's concern. I should have mentioned in my answer to an earlier question that £400 million is now available through crime reduction programmes for measures such as targeted policing; of that sum, £170 million is principally for closed circuit television schemes. I shall certainly ensure that applications from areas that are at risk of racist violence are carefully considered.

Mr. Jeremy Corbyn (Islington, North): The Home Secretary will be aware that hon. Members who represent multicultural communities are detecting enormous concern among ordinary people about the danger and about threats to their way of life, which is what the explosions at Brixton and Brick lane amounted to. Is he satisfied that the police have sufficient knowledge or intelligence about the activities of far-right racist organisations in this country? What connections have the police uncovered between organisations in this country and those in continental Europe, where, tragically, the sort of atrocities seen for the past two weekends in London are more commonplace? The connection is there to be seen; is my right hon. Friend satisfied that the police are able to deal with that?

Mr. Straw: In this as in other respects, I am satisfied as to the professionalism and assiduity of the police and the intelligence agencies. As can be seen from Irish terrorism, when terrorist groups are highly organised, even extensive intelligence coverage of those groups cannot provide a guarantee against the possibility that they will commit terrorist outrages. With the best will in the world, whatever the extent of the coverage by police and intelligence agencies of such extremist right-wing groups, the risk remains that members of those groups will continue to perpetrate violence for as long as they remain at large. That is why the investigation led by the anti-terrorist branch is so important, and why the Commissioner will ensure that nothing is left undone until the perpetrators of the violence are brought to justice.

Mr. Tony McNulty (Harrow, East): Does my right hon. Friend agree that the perpetrators of the bombings are no more and no less than mindless, murderous thugs; and that to attribute some sort of political dimension to their crime, for example, by calling it a backlash to the Lawrence inquiry, is entirely wrong—at best naive and at worst perverse? Can he assure me that communities such as the one represented by my hon. Friend the Member for Hayes and Harlington (Mr. McDonnell) and me, which are less well known as significant centres of ethnic communities, are being made as alert and are being as well looked after by the Metropolitan police as more well-known areas such as Brick lane and Brixton? Outer London suburbs must not be forgotten, for they too contain significant ethnic communities.

Mr. Straw: My hon. Friend is right. There are significant black and Asian communities throughout this country—in inner London, outer London, almost all of our major cities and many of our towns and rural areas—and in Wales, Scotland and Northern Ireland. The police in the Metropolitan area and outside are applying themselves with great vigour to giving advice and guidance to communities about how best they can minimise the risk. There is no way in which risk can be entirely avoided as long as there are mindless, murderous thugs who are intent on planting further bombs. That emphasises the need, first, for proper information—the best available—to be given to the police; and, secondly, for continued vigilance to be maintained.

Defence Equipment

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Pope.]*

5.5 pm

The Parliamentary Under-Secretary of State for Defence (Mr. John Spellar): Following the Prime Minister's statement earlier this afternoon, I am sure that I have the support of the whole House in beginning this debate on defence equipment by paying tribute to our service men and women who are currently deployed on NATO operations in the Balkans. They are, once again, earning not only our admiration, but that of the whole world for their dedication, courage and professionalism. The fact that so many of our young service men and women are deployed on a variety of missions in the Balkans brings home to us, yet again, how important it is to ensure that they are provided with the equipment they need to do the jobs that we ask of them—and we take that responsibility very seriously.

A recurring feature of debates about defence equipment has tended to be long, but by no means comprehensive, lists of new equipment that we are buying or are considering buying. That is natural, as is the considerable concern expressed by individual Members of Parliament about programmes that are important to workers or companies in their constituencies. I hope to address today some of the most topical and significant of those programmes.

However, I will also outline some of the steps that we have taken to improve the process by which we supply our front-line forces with the tools that they need to do their job. This must be a seamless process from cradle to grave. It includes not only specifying and purchasing equipment from manufacturers, but maintaining and managing that equipment throughout its life. In parallel, we are also reforming the way in which we run our construction projects and services, on which we spend some £1.5 billion a year. We are drawing heavily on the recommendations made by Sir John Egan in his "Rethinking Construction" report, and taking forward the initiative led by the Deputy Prime Minister and the Department of the Environment, Transport and the Regions. We intend that the Ministry of Defence will be clearly recognised as a best-practice client in construction.

The theme that unites all those reforms is that we identify best practice in Government or the private sector, here or overseas, and work it into an acquisition process that delivers solutions to defence requirements faster, more cheaply and better. We started that process in opposition and, in consultation with industry and trade unions, and with good consultancy support, we developed those ideas and carried them through into a blueprint for modernisation in the strategic defence review. It is yet another item on our agenda for modernising government, which will deliver more responsive and effective public services for Britain in the new millennium.

The SDR involved a fundamental reappraisal of our defence roles, re-evaluating from first principles what we will require from our armed forces in the new millennium. The outcome was a comprehensive and coherent account of our plans for the future capabilities of the armed forces. However, as my right hon. Friend the Secretary of State said when introducing the debate on the strategic defence review last autumn:

"it is not enough to set the right course. What really matters is to see that course through."—[*Official Report*, 19 October 1998; Vol. 317, c. 971.]

In that context, I start by focusing on smart procurement. One of the key differences between this and previous attempts to reform defence procurement—which we have drawn on freely—has been the creation of an implementation team to drive the changes through. That has been mirrored in defence logistics and the SDR as a whole.

When we announced the outcome of the review to the House last July—*[Interruption.]* Does the right hon. Member for Bridgwater (Mr. King) wish to intervene? What a shame—I was preparing an excellent riposte.

Mr. Michael Colvin (Romsey): On the issue of smart procurement, will the Minister confirm that the anticipated savings over the three years of SDR are £2 billion? Are the Government on target to make those savings?

Mr. Spellar: Later in my speech, I will reveal how well we are on target to make those savings—indeed, we hope to exceed that figure.

When we announced the outcome of the review to the House last July, we promised to modernise defence by making a number of significant improvements in the way in which we do business. We emphasised our determination to obtain maximum value from every pound of taxpayers' money that is spent on defence. That means equipping, training and supporting the armed forces as cost-effectively as possible.

The reforms launched by the smart procurement initiative—a key element in our review—were long overdue. Members on all sides of the House have become tired of hearing in recent years of cost overruns and delays on major defence projects, leading to waste for the taxpayer and depriving our armed forces of the equipment that they need.

Of course, it would be wrong to suggest that every procurement programme went badly. For example, the recent acquisition of a capability to launch cruise missiles from our fleet submarines has been a notable success. The contract was let in 1995; a demanding timetable was set down, and successful test firings took place in November 1998, on the exact day that had been specified three years earlier. The House will know that HMS Splendid has been employing the system operationally over the past few weeks in support of operations in the Balkans.

Mr. Harry Cohen (Leyton and Wanstead): Will the Minister state how many British cruise missiles have been fired in the current conflict over Kosovo, and whether it is likely that we shall have to purchase more such missiles?

Mr. Spellar: No, for reasons that I suspect my hon. Friend and others will understand, I shall not state how many cruise missiles have been fired.

I would not wish to suggest that the defence procurement task is easy. Many of the projects in our equipment programme are at the leading edge of current technology. They often involve complex and hard-fought competitions between some of the world's largest

companies. In some cases, their costs run into billions of pounds. That makes us all the more determined to achieve the goals of the smart procurement initiative.

We examined how, over recent years, industry had changed the way in which it managed its relationships with suppliers. We recognised the advantages of partnership over confrontation which, with an atmosphere of greater transparency and trust, we hope will deliver improved performance and shared benefits.

That means that there will be more investment in the early stages of projects, with trade-offs between military requirements, time and costs, to enable more rapid, less risky development. Projects will be managed by integrated project teams—IPTs—with an empowered team leader. Those teams will include all stakeholders, including industry, except during competitive phases. We anticipate that some team leaders will be appointed from industry, through open competition. There will be more use of partnering arrangements with the private sector, including the private finance initiative. We shall exploit new procurement techniques, including incremental acquisition.

Clearly, a new organisation was required to implement such a radical programme of change. That will mean a single customer for the equipment programme in MOD headquarters, bringing together the staff who identify new equipment requirements and those who allocate resources for them. IPTs will bring together all the skills necessary for the successful running of a project. Those teams will be led by an empowered team leader with the authority to make trade-offs against performance, cost and time, within boundaries set by the customer. Other key features include more investment in the early stages of projects and a flexible, streamlined and modern approach to the running of the procurement organisation.

We have achieved a great deal since last summer towards reaching the goals of smart procurement. On 1 April, on schedule, we launched the Defence Procurement Agency. We have piloted the new processes and structures on 10 projects. We have formed integrated project teams made up of specialists responsible for every aspect of acquisition activity, operational requirements, scientific analysis, procurement contracts, finance and integrated logistics. I stress that those teams will have representation from industry except during competitions.

As a result of the pilots, we know that we are on track to deliver the £2 billion of savings over 10 years which we promised would be achieved through smart procurement.

Mr. Tam Dalyell (Linlithgow): Before my hon. Friend leaves the subject of scientific analysis, will he tell the House what scientists say about the use of depleted uranium in armour-piercing shells?

Mr. Spellar: That is not part of the acquisition process and is not a matter for those teams, but I understand that our scientists have published a paper on the use of depleted uranium which is in the public domain. If my hon. Friend has any questions arising from that, I am sure that our people would be more than happy to reply.

The IPTs have also identified significant opportunities to get equipment into service faster, or—for equipment already in service—to improve its availability and reliability. For example, the type 23 frigate IPT is looking to reduce the length of an upgrade programme by about 30 per cent. The VC10 IPT has already identified initiatives to achieve a 10 per cent. increase in serviceability.

During April, we have launched the first wave of IPTs covering another 23 projects or groups of projects in the Defence Procurement Agency and in the new Defence Logistics Organisation. Other projects will migrate to that new structure over the coming year in two further waves, with about 150 teams forming in all—about 90 in the Defence Procurement Agency and 60 in the Defence Logistics Organisation. Given the success of the pilots, we can expect further significant savings, faster procurement and improved availability.

Smart procurement is also about a new relationship with our suppliers. Industry's involvement at an early stage will encourage its participation in the key process of trading off time, performance and whole-life costs. It will help us to produce solutions to military requirements that are better tuned to industrial and technological realities, so that we do not pay an unnecessary premium or introduce unmanageable risk to achieve the last small bit of performance.

Let me clarify what I mean by "our suppliers". There is understandable concern among small and medium-sized companies that this process will involve the large project integrators, but not them. On the contrary, we believe that the real benefits of smart procurement will come only if there is real partnership throughout the supply chain. We shall make that very clear to industry because we recognise the huge contribution that small and medium enterprises make to the competence of our defence industry, and to the whole economy.

Competition will remain at the heart of our strategy to obtain best value for money, but it will be used flexibly. Our aim is to foster an enhanced partnership with industry, reduce risk, encourage innovation and increase the competitiveness of a defence industry that generates about £5 billion in export orders for the United Kingdom each year, and last year achieved 26 per cent. of world exports in that field. Such a programme is a great opportunity for the British defence industry and for its highly skilled work force, on whom it depends.

However, smart procurement is also about being more willing to accept that not every programme that we initiate will progress as planned—and being more willing to change our plans and approach, if that is what success requires, before making the major financial commitment to new projects.

In that context, many hon. Members will be aware of our increasing concerns over the progress of a programme that we inherited, the common new generation frigate programme—a major collaborative project with France and Italy. The project comprises two elements: a medium-range air defence system known as the principal anti-air-missile system—PAAMS—and the warship on which to deploy it, known as Horizon.

The PAAMS project, in which Matra-BAe Dynamics is a key industrial partner, has made excellent progress. Detailed proposals have now been received from industry and, subject to national approval processes by the three nations concerned, we have decided with our partners to move quickly to place the contract for the development of PAAMS.

However, the partners have now concluded, in light of the industrial proposals that we have received, that it would not be cost-effective to pursue a single prime

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contract for the warship. The three nations will, however, continue to build on the tri-national project work already carried out, and will pursue opportunities for co-operative procurement in equipping those vessels.

Mr. John Wilkinson (Ruislip-Northwood): The hon. Gentleman is making an announcement of immense industrial importance because he is saying that the tri-national Horizon programme has essentially folded, although the missile system for a future vessel could be common. Has he considered the employment aspect of that? Is he now hopeful that British yards—in pursuing, I presume, a national solution to build the hull and related systems—will have a greater opportunity for work in this country? From the outset, work share was an inherent difficulty in the programme.

Mr. Spellar: I thank the hon. Gentleman for his welcome for that announcement, although we have always believed that British warships would be built in British yards. I accept that one part of the programme made much greater progress than the other. That has enabled us to initial the PAAMS part of the programme. On the Horizon side—the ship side—we are still building on the work that was undertaken. We shall do so within national programmes, but still working on the tri-national project work and reaping the benefit of the work that has been undertaken on that.

Mr. Menzies Campbell (North-East Fife): Perhaps I should begin by apologising for not being present when the Minister began his speech. I was engaged elsewhere. As has just been said, the Minister has made an announcement of considerable importance. Following the failure of the NATO frigate for the 1990s programme, two consecutive programmes designed to produce common procurement for naval vessels have not been successful. Will the Minister say a little more about what he means by national use of existing work? Are we talking about a new design or an adaptation of the Horizon design in so far as that had been progressed?

Mr. Spellar: We are waiting for industry to respond to invitations to come back with proposals to construct the ships [illegible] the extremely effective PAAMS equipment. We inherited the programme, with the difficulties that have become clear. The hon. Member for Mid-Norfolk (Mr. Simpson) will not know about this issue because he was not a Member in the previous Parliament, but many of us will recall the debates that took place. We believe, in agreement with our partners in France and Italy, that we have arrived at an effective and positive resolution of the difficulties, and one that we are able to take forward.

As my right hon. Friend the Secretary of State—

Mr. John Maples (Stratford-on-Avon) *rose*—

Mr. Crispin Blunt (Reigate) *rose*—

Mr. Spellar: I shall return to the point in a moment.

As my right hon. Friend has commented:

"We now have a very good result for the navies and industries of the three nations, and for European defence. The PAAMS missile system will provide a powerful air defence capability for the Royal Navy which will be simply the best in the world and will be effective well into the next century. The advanced technology and the employment which this multi-billion pound project will provide will help to keep Britain in the front rank of the aerospace and the electronics industry."

Mr. Maples: The Minister talks about a successful outcome, but it is not. It is not a successful outcome for future multinational projects and it is disappointing. It would be interesting if the Minister were to go into a little more of his reasoning and explain why he thinks that collaboration has been successful on the anti-air-missile project, but not on the ship. One would think that in some ways, building a ship was rather easier than building an anti-air-missile system. Why does the Minister think that collaboration has been successful on one aspect of the project and not on the other, and what lessons are there to learn for future potential multinational projects?

Mr. Spellar: The key lesson to be learned is that joint collaboration requires joint work on all sides. That ties in very much with the theme that I was developing earlier. The essence of modern procurement requires a good working relationship between the customer and the supplier. I think that the working relationship on the supplier side on the PAAMS project was possibly much better than on the shipbuilding side. There are lessons to be learned and we shall be drawing on them in the near future when considering how we can be more effective on multinational procurement.

As the hon. Gentleman knows, we estimate that about 40 per cent. of our future equipment orders will be placed on a collaborative basis. We need to draw lessons from failures and from successes in deciding how we proceed with future programmes. However, we have managed to achieve an effective result that is good news for the Royal Navy, and we shall be able to move forward with the programme.

Mr. Blunt: What is the expected in-service date of the ships and the missiles? Is there any chance of the missiles arriving before the ships?

Mr. Spellar: Conservative Members were responsible for the early stages of the programme. They resolutely refused to listen in debate after debate when questions were raised to the effect that the programme was going wrong, and took no action. We have taken over the programme and have achieved an effective resolution of it, so I find it extraordinary that they want to make such a meal of the matter. I should have thought that Conservative Members, as a matter of decency, would want to pass this by and move on to some other area—they were absolutely responsible. I anticipate that we shall try to build and equip the boats at the same time, and we are looking at an in-service date of towards 2006.

Mr. Menzies Campbell: I am sorry to press the Minister, but the announcement has considerable significance. What are the consequences for capability in the meantime? The vessel was designed to replace the type 42s. Will we have to stretch the lives of some of the type 42s; if so, with what consequences for capability?

Mr. Spellar: The right hon. and learned Gentleman is exactly right—we will have to stretch some of the

operations of existing vessels. That is precisely the problem that we inherited and we have managed to get it sorted out. I should have thought that Conservative Members would be congratulating us on that and, as a matter of decency, they should be reticent about their role.

I want to leave the House in no doubt that we remain fully committed to the principles and practice of collaboration, which is increasingly important in our forward equipment programme. Our membership, with France, Germany and Italy, of the joint equipment organisation known as OCCAR presents a real opportunity to establish improved collaborative practices that deliver value for money.

Hon. Members will know that we and our partners have placed the counter battery radar programme, known as COBRA, under the supervision of OCCAR. We shall continue to pursue common objectives in OCCAR with our partners.

Mr. Tom King (Bridgwater): The Minister has raised the question of collaborative projects. Does smart procurement include security of supply? I declare my constituency interest in Royal Ordnance, but I also make a serious national point. If there is one lesson to draw from the present events in the Balkans, which follow the Gulf war and the Falklands war, it is how different each of those actions was, that our partners in each were totally different and that it is impossible to predict which countries could be considered to be a certain, secure and willing source of supply in any future difficulty that we might face. In respect of munitions and the point that has been made about Royal Ordnance, what consideration has been given to ensuring that we have not only security of supply, but security of resupply, if we need to reorder during an emergency?

Mr. Spellar: As the right hon. Gentleman will know from his experience, resupply in such circumstances is nearly always from stock rather than from reproduction. He will know from his own time in office that that was certainly the case within the time scales of nearly all the operations that we have experienced. He will also recognise that there has been a considerable reduction in demand for munitions—not only in the United Kingdom, but right across the world.

That reduction is due partly to the reduced size of the armed forces, but also to improved training techniques. For example, there is greater use of simulation. At peak, we were ordering £300 million of munitions; now we order £80 million-worth. Our experience has been replicated and munitions firms across Europe—and, indeed, across the world—face a similar situation. Therefore, there will be a greater degree of international rationalisation between companies and between countries.

The right hon. Gentleman is absolutely right to draw attention to questions of security and assurance of supply. Inevitably, the restructuring in the industry cannot involve only the companies, although they will play a prime and initiating role in the process. Governments must also be involved in the equation so that effective rationalisation, which is inevitable given the changing pattern of the industry, is combined with considerable security and assurance in this respect. I think that I have described the situation fairly accurately to the right hon. Gentleman and he will be aware of it from his experience.

Mr. King: When the Minister says "assurance", is he relying on assurances by Governments that, all things being equal, they will guarantee that their firms will supply to meet our requirements? As he knows, I had the experience in the Gulf war of a fellow NATO country that declined to supply us with the ammunition that we requested because it did not support the action being taken to liberate Kuwait. If we are talking about governmental assurances, the Minister might find that, in certain circumstances, overriding national interest in the country concerned will result in its assurance not being honoured.

Mr. Spellar: I should point out that that assurance is also mutual and many of those countries will also be dependent on us. That is a further part of the equation. I think that the right hon. Gentleman understands that the changing nature of the industry is forcing all countries to look at a greater degree of international rationalisation and interdependence.

I have spoken in some detail about our smart procurement initiative. However, delivering effective equipment to the front line is not just about buying new kit; it also means ensuring that equipment is well-maintained and reliable. It means ensuring that equipment is in the right place at the right time, together with the ammunition, spares and technical back-up needed to support it. We need a taut, efficient and responsive supply chain that stretches, as they say, from factory to foxhole.

That means adopting a truly "whole-life" approach to managing our equipment. Those responsible for procurement must work closely with those responsible for supporting it. We must ensure that the whole-life costs of equipment are properly considered when procurement decisions are taken. We also need to be able to make better-informed decisions about technology insertion to keep systems current, and about spares and maintenance to keep them fit to fight.

We have seen a revolution in the way that industry manages its own supply chains and in the capability of logistics businesses in the private sector. In the automotive industry, for example, the improved organisation of the supply chain has been the engine of tremendous gains in productivity. The logistics industry has seen a similar transformation. Many of those businesses need to have a global reach, just as our armed forces do. We have looked long and hard at world-class best practice and we are bringing the lessons learned to bear on our own organisation.

What I am talking about is no less than a revolution in defence logistics. The reforms lie at the heart of our modernising programme and their success is fundamental to the success of the strategic defence review overall.

The process will be greatly facilitated by the appointment, at the start of this month, of General Sir Sam Cowan as chief of defence logistics to head the new Defence Logistics Organisation. However, the CDL's job is not simply about ensuring that whole-life costs inform our procurement decisions, important though that is. It is also about delivering support to the front line in the most cost-effective manner.

Much has been achieved in recent years, with better rationalisation and co-operation between the services' logistics areas. I pay tribute to the logistics staffs for what has been achieved. However, the creation of a CDL represents a step change. The Defence Logistics Organisation that he heads brings together the organisations of the Chief of Fleet Support, the

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Quartermaster General and the Air Member for Logistics into a single entity. It will be the largest joint organisation in defence, with some 41,000 staff and a budget of nearly £5 billion a year.

The task of reorganisation is enormous and will not be completed overnight. It is being tackled in two phases. Phase 1, completed on 1 April, was to create the essential elements of the core headquarters. That has enabled the CDL to assume budgetary and management control of the current logistics areas, and to plan the change management task necessary to achieve phase 2.

The time scale has also seen the creation of three new defence-wide support organisations: the Defence Aviation Repair Agency, the launch of which I had the pleasure of attending on 7 April; the Defence Transport and Movement Agency; and the Defence Storage and Distribution Agency.

The DLO will look to harmonise systems and achieve greater efficiency by adoption of best practice across the whole area. A key strand will be the integration of similar systems. That, in turn, will provide the opportunity for strategic management of all logistics support. In short, it will achieve better, more effective support through the application of sensible processes and common practices. That will be a change of the greatest magnitude.

We shall, however, retain the single service logistics units at the front line. That decision recognises the particular nature and characteristics of single service operations at sea, on land or in the air. The challenge is to blend logistics support seamlessly into the front line.

We also need to improve the procurement of logistics support to the front line. That is a major task, and smart procurement is again very relevant. We recognise the wealth of expertise and experience in industry in procuring and managing logistics. We shall harness those skills in our project teams. We shall look to partnering approaches, where appropriate, to ensure the most cost-effective delivery of logistics support. We also need to ensure that much better use is made of advanced information technology.

Mr. Andrew Lansley (South Cambridgeshire): I am sorry to interrupt the Minister in the middle of his explanation of logistics matters. Before he concludes, will he help me on the issue of future procurement? Have he and his colleagues had the opportunity to reflect on the potential value to our armed services of the airborne stand-off radar? Does he have any information on the prospects for that procurement? Can he assure the House that he will take fully into account the value of the UK-developed Racal radar system in circumstances such as Kosovo, as it is able to identify potential targets with greater precision?

Mr. Spellar: I thank the hon. Gentleman for that intervention. I shall come on to individual equipment programmes, but it is right that hon. Members should intervene in support of the companies and work forces in their constituencies, and the excellent work that many of those companies are undertaking.

Before I deal with equipment, I shall return to the logistics side. Our stockholdings will need to be reviewed further. The aim will be to move towards a demand-led system, based on the assumption that stocks should be held only when they cannot be regenerated within the readiness time of the forces that they support. Accordingly, our target is to reduce the book value of non-munitions holdings by £2.2 billion by April 2001; and we further intend to rationalise our stock procurement to achieve savings of £130 million a year from 2001-02 onwards. For that, we need to develop better forecasting techniques, and if we are to reduce stocks safely, we require improved lead times from industry that match our readiness needs.

The hon. Member for South Cambridgeshire (Mr. Lansley) will be pleased to know that I shall now turn to some of the individual programmes that I spoke about earlier. Each of the services can look forward to vastly improved equipment capabilities as the plans we laid out in the SDR are brought to fruition. For the Royal Navy, the valuable flexibility offered by aircraft carriers has recently been demonstrated by the deployment of HMS Invincible from the Gulf to the Adriatic. Carriers allow us to project military force rapidly and over long distances. The strategic defence review concluded that we should replace the current generation of carriers and their aircraft in about 2012. It also concluded that the future carrier force should comprise two larger carriers. Modern ship upkeep practice means that there will not be lengthy refit periods for these vessels, as is the current practice, and we should therefore be able to achieve the same availability from these two vessels as we do from the current three.

We have already issued invitations to tender for the assessment phase of the future carrier programme in January to six potential prime contractors. We expect to place a contract with up to three companies in the autumn, and the ships will be built and outfitted in the United Kingdom. Contrary to the suggestions we have heard previously from Opposition Members, the programme is running to schedule and with the full commitment of the Government.

The new carriers are a key element of our future defence plans. We are encouraging the sensible use of the latest technologies and innovative ideas to ensure that carriers are acquired on time and to cost. Future carriers will be capable of deploying air power in the form of the joint Royal Navy-Royal Air Force future carrier-borne aircraft. This new aircraft will fulfil a wide range of military tasks. A variant of the US joint strike fighter remains a strong contender, but other options are also being considered, such as a naval variant of Eurofighter, Rafale, the F18E/F and an upgraded Harrier.

We are pressing ahead with plans to triple our sealift capability through the acquisition of additional roll on/roll off vessels for the joint rapid reaction forces. In the meantime, our strategic sealift requirements will continue to be met by the chartering of Royal Fleet Auxiliary Sea Crusader and RFA Sea Centurion, which are proving to be tremendous assets. Centurion continues to transport heavy equipment in support of operations in the Balkans. The provision of a six-ship ro-ro capability will significantly improve Britain's ability to move its forces rapidly to deal with crises anywhere in the world.

On 31 March, we issued an invitation to tender to four companies seeking bids to provide those services. The four companies are Novomar, the Maersk Company, Andrew Weir Shipping Ltd. and the Sealion Consortium, which includes Kvaerner Govan. The House will be aware

of the difficulties the Govan shipyard faces in the wake of the announcement by Kvaerner that it is to dispose of its shipbuilding interests. We are, therefore, glad to have been able to shortlist their consortium for the sealift competition. We are, of course, co-operating with the task force and keeping in close touch with the Scottish Office, to see if there are ways in which we might assist.

Mr. Wilkinson: I am sure that hon. Members on both sides of the House are interested in what the Minister has said about Kvaerner Govan. The Govan yard built the hull for HMS Ocean, and is one of the few shipyards in the United Kingdom capable of building the hull for a big aircraft carrier.

Can the Minister tell us whether Swan Hunter on the Tyne is back in the business of receiving naval requests for tender? Is it to be considered, or are we down to Barrow and Harland and Wolff if Kvaerner is not bought by a company that wants to proceed in naval shipbuilding?

Mr. Spellar: The hon. Gentleman should not forget Cammell Laird in Birkenhead. Those are the yards that are the main contenders; then there are the companies that have been invited to tender for the role as prime contractor—systems-integrating, weapons-integrating companies. There is, in fact, quite robust competition, as a considerable number of yards are potential builders of the carriers.

Mr. Wilkinson: What about Swan Hunter?

Mr. Spellar: As far as I am aware, Swan Hunter is a potential bidder, but the companies concerned will have to decide whether they wish to upgrade their yards and take part in the competition, given that they have the basic capability.

Let me now deal with the Army side. The SDR placed great emphasis on our information, surveillance, target acquisition and reconnaissance capability, known as ISTAR. That capability is needed to provide the fast, detailed, accurate intelligence that is essential for rapid decision making in complex circumstances.

The competition for the airborne stand-off radar contract—mentioned by the hon. Member for South Cambridgeshire—is now in its closing stages. As I think we all know, the fight for that contract has been conducted intensively by three determined bidders. United States prime contractors have been prominent, but scores of capable British companies have been involved with the three consortiums. The decision is receiving close ministerial attention and, as some hon. Members may know, my right hon. Friend the Secretary of State for Defence gave each consortium an opportunity to present its proposals to him personally last week.

Mr. Michael Jack (Fylde): I am grateful to the Minister. I hope that he has not drowned in his glass of water.

About four weeks ago, during the business slot on the "Today" programme, a representative of the Raytheon corporation clearly intimated that the corporation thought that it had won the ASTOR contract. In that context, it was discussing the potential creation of additional defence jobs in Belfast. Did the Minister receive any reports of that broadcast, and Raytheon's assertion of its position? If so, did he investigate the source of the stories, and can he assure me that Raytheon was speculating?

Mr. Spellar: I did not receive a report about the programme. If such a report had been submitted, it would probably have been lost in the welter of reports on the various companies involved in that and other competitions which, understandably, drew attention to the industrial benefits that would result from their particular projects. Given the right hon. Gentleman's constituency, he will know that companies rightly focus on that.

As I said earlier, the Government are anxious to maintain the country's defence industry capability, but, although it is inevitable that companies will highlight that aspect, we are still evaluating all the programmes. Having received a number of representations from companies, my right hon. Friend the Secretary of State invited each consortium to make a final presentation. Decisions are being considered, but, as the right hon. Gentleman would imagine, there are currently other pressing matters on Ministers' minds.

Mr. Barry Jones (Alyn and Deeside): My hon. Friend will know that my constituents who are employed by Raytheon have a crucial interest in the decision that the Department might make shortly. He will also know that we had hoped to hear of a decision in March—understandably, that date slipped—and that, clearly, no decision will be made this month. Will he tell my constituents when a decision might be made? He will know that there is great interest in the matter in my constituency.

Mr. Spellar: The answer is "shortly". I pay tribute to my hon. Friend's regular—incessant, repetitive—campaigning on behalf of his constituents, and to the way in which he constantly presents their case to the Government. He was equally active in that campaign in previous Parliaments, and in making his constituents' case to the previous Government. He certainly ensures that the very strong case for the excellent plant in his constituency never ceases to be in the public eye, and I congratulate him on that.

Mr. Lindsay Hoyle (Chorley): There is concern across the country about who will be chosen for the airborne stand-off radar programme. In considering the matter overall, however, will my hon. Friend take into account not only the United Kingdom's technological base and abilities, but United Kingdom jobs?

Mr. Spellar: My hon. Friend rightly says that we have to consider the entire range of the UK defence industry's capabilities, including its future health and ability to compete for future contracts. We should be clear about the fact, however, that our defence manufacturing industry is thriving and is internationally competitive. As I said only last month, our industry has 26 per cent. of the world market for defence equipment. Moreover, hon. Members who have been demonstrating their support for various programmes represent many of the companies that have achieved precisely that success.

On the Air Force side, hon. Members will know that, last September, we signed a contract for the first tranche of production aircraft for Eurofighter, which will start to

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enter service in 2002, under a contract tautly linking payments to achievement of a demanding set of milestones. Eurofighter is a world-class aircraft—which is further demonstrated by the considerable potential that it is showing already in the export market.

I am sure, looking around the House, that many hon. Members will also be interested in our plans to deal with the shortfall in our strategic airlift capability that was identified in the SDR. We already have 25 Hercules C130J aircraft on order from Lockheed Martin to replace the first part of our current Hercules fleet. There have been difficulties with the programme, as many hon. Members will know, and the in-service date has slipped to next spring. However, the programme is now on track, and we are being paid liquidated damages by the prime contractor to offset the additional costs of running on our current fleet.

The remainder of our future requirement for large transport aircraft is the subject of a competition that we are running in conjunction with some of our European partners. Bids were received in January for the Airbus consortium's A400M, as the future large aircraft is now known; for the Boeing C17; and for a further tranche of C130Js. We aim to be in a position to make a decision—in consultation with potential European partners—by early next year.

Such a procurement will take time, however, and our need for enhanced strategic airlift is urgent. We are, therefore, running a parallel competition for short-term strategic airlift to bridge the gap. We have asked for proposals for lift capability equivalent to four C17 aircraft, and received a number of bids in January, in parallel with bids for the longer-term procurement. Evaluating the long and short-term proposals together will enable us to identify the most cost-effective overall package to meet our needs.

Today, as ever, there is a range of other programmes about which I have not been able to speak. Nevertheless, I hope that I have mapped out our strategy, and our plans for ensuring that we supply our front-line forces with the equipment that they need, in a timely and cost-effective way.

The strategic defence review has provided the blueprint for our armed forces for the future. As I have made clear, however, the planning phase is over, and we are steadily rolling out the programme. We recognise and appreciate that that entails a tremendous amount of hard work for service men and for civilians in the Ministry of Defence, and for our partners and suppliers in industry. It involves fundamental change in the way in which we buy our equipment—in our processes and organisation. Changing the organisational arrangements is the relatively easy part. Changing the culture, which is a much more challenging enterprise, is the key to success.

Our armed forces deserve to have the right equipment and logistics support at the right time, at the right place and at the right cost. We are determined that that is what will be delivered.

5.50 pm

Mr. Robert Key (Salisbury): The Opposition always welcome the opportunity to debate defence issues on the Floor of the House, although I dare say that the timing of today's debate—in the midst of the Kosovo crisis—was as unexpected for Ministers as it was for the rest of us. We recognise the immense pressure on Defence Ministers and entirely understand why the Secretary of State is not present this afternoon. However, so far it has been a disappointing debate as to content. I must gently remind Ministers that their Government control the business of the House and, if it were altogether too much to have such a debate, they should have said so.

We also welcome the first defence debate in the new format under which we shall consider, in three separate debates, people, policy and procurement. The House will recall that I first suggested this in the debate on the Royal Air Force on 23 April 1998, at column 997 of *Hansard*. At the time, in an optimistic surge of enthusiasm, Labour Ministers were working on their strategic defence review. The Labour party had abandoned its objections to nuclear defence and taunted us with the force and budget reductions that we had made in government, in step with all our NATO allies.

Labour Members mocked us for those defence cuts, but they want the British people to forget the facts. The first fact is that the Labour party not only supported those cuts, but begged us to go further in pursuit of the elusive post-cold-war peace dividend. The Labour Government then cut defence deeper than we had ever dreamed of doing.

Even before the strategic defence review, the Secretary of State for Defence had capitulated to the Treasury's demand for a £500 million cut in the defence budget to fund national health service winter spending in 1997.

The Government started the strategic defence review with the proposition that their great, no-holds-barred, welcome all-comers, thinking the unthinkable, foreign-policy-led review would, in practice, result only in defence cuts. The Secretary of State made that very clear at the strategic defence review seminar in Coventry on 11 July 1997. It was quite clear at that seminar that the Secretary of State knew that the pressure was on him to cut the defence budget. It then went into free-fall in the comprehensive spending review. He lost the argument with the Chancellor of the Exchequer and the Prime Minister did not ride out on his white charger to save the defence budget. This year, Labour slashed defence by £800 million or 3.6 per cent. and will do so again over the next two years by a further £400 million—an additional 2 per cent. That was not enough, however. In addition to those savage cuts, and as the only possible way of meeting his commitment to the Chancellor of the Exchequer, the Secretary of State for Defence then imposed efficiency savings of a further 3 per cent. a year across the board for all three services.

I take off my hat to the Navy, the Army and the RAF. They worked themselves to the bone preparing the strategic defence review, which delivered a great deal of military common sense. However, there was no common sense in asking the military to deliver the outcome of the strategic defence review with a sharply declining budget and a fresh round of efficiency savings. All three services had been living with efficiency savings for year after year. By 1997, the Navy, the Army and the RAF had reached

the point at which there were precious few efficiency savings to be made; indeed, the only savings that could be made would lead to inefficiencies.

Ms Rachel Squire (Dunfermline, West): Will the hon. Gentleman give way?

Mr. Key: I had better give way to the hon. Lady, but I bet that she will say exactly what she said last year.

Ms Squire: I am delighted that the hon. Gentleman gives such significance to what I say in any and every debate that he can remember exactly what I said last year. I take my hat off to his portrayal of the 28 per cent. cut in the UK's armed forces that was undertaken by the Conservative Government in the 1990s and their reduction in the Army, Navy and RAF by up to a third, which left the forces feeling that they had been cut to the bone—*[Interruption.]*

Mr. Deputy Speaker (Mr. Michael Lord): Order. The hon. Lady must be allowed to make her intervention.

Mr. Key: Of course the hon. Lady must be allowed to make her intervention and I look forward to hearing it again next year. She said exactly the same last year and no doubt she will say it again next year. The answer is exactly the same. If she thinks that our reductions were so terrible, why did she call for more at the time and why have the Government whom she supports made further cuts?

We knew that we had reached the point at which savings would often lead to inefficiency. That was why the then Conservative Secretary of State for Defence, Michael Portillo, announced a period of stability for the defence budget. New Labour hoped that the world would believe that it had put on a glittering new military uniform, but, two years on, we see it for what it is—the emperor's new clothes.

Mr. Colvin: My hon. Friend referred to the 4 per cent. cut in the defence budget over the three periods covered by the strategic defence review, but he has not told the House how much further the budget will be cut if the savings on smart procurement, the sale of assets and greater efficiency are met. Does he know what that figure is?

Mr. Key: My hon. Friend is absolutely right. I am coming to that, but we have already had a clue. We are told that there will be £2 billion of efficiency savings over the next 10 years, but we need to know when an efficiency saving is an efficiency saving and when it is a cut. I shall return to that point, but today I seek three commitments from the Minister. I should be grateful if the Minister of State would address them in his reply to the debate, and I invite my hon. Friends to listen to his answers.

First, the cost to the UK of the Kosovo conflict must fall not on this year's already depleted defence budget, but on the Chancellor of the Exchequer's reserves. Estimates of the cost of the Kosovo conflict vary enormously. Of course, there is no formal mechanism for apportioning costs between NATO members. In the UK, it is a matter of negotiation how much the Treasury will contribute over and above the current defence budget, but, given that the Government have already decided to slash the contingency reserve, it is doubtful whether that modest pot of gold will be enough to cover the costs.

The overall cost to the British taxpayer will include spending by other Government Departments, notably the Department for International Development, the Home Office and the Department of the Environment, Transport and the Regions. We acknowledge that those spending commitments are inevitable, but it is my duty to stiffen the Minister's resolve to protect the defence budget.

Assuming that Milosevic is removed by the Serbian people and the Serbs join the democratic nations of Europe, the wider international community realises that there will be massive costs in physical and social reconstruction over many years in Kosovo, Serbia and the seven neighbouring countries.

Mr. Tom King: I am glad to hear my hon. Friend's firm support for the Ministry of Defence in ensuring that it is properly reimbursed for additional costs that our foreign policy—I do not criticise it—will involve. Does he recall that there was a significant difference in respect of the Gulf war, when the first decision of Baroness Thatcher was to make sure that the Chancellor of the Exchequer was not on the War Cabinet? I am sorry to say that that precedent has not been followed.

Mr. Key: Yes. I was discussing the matter with my hon. Friends only recently. I hope that Ministers have duly noted that point.

Our Prime Minister is seeking to keep up with President Clinton. Indeed, press reports in the United States suggest that he has rather overtaken him as the hawk. However, President Clinton has just asked Congress for $6 billion extra to spend on the Kosovo conflict and has already announced a 10 per cent. increase in the United States defence budget. That increase is about the same size as our total defence budget.

Secondly, will Ministers guarantee for the benefit not only of Her Majesty's forces but of our national and international defence procurement industry that the cost of Kosovo will not be taken from defence equipment programmes, that we will see neither the cancellation of promised purchases big and small—from aircraft carriers to new boots—nor the slippage into the future of new equipment purchases that are needed now?

We have heard about the decision on the airborne stand-off radar being delayed again, but the Minister did not give the reason. Will he say whether there are any reasons, apart from the Kosovo conflict, for that delay? We need that procurement now.

Thirdly, will the Minister revisit the strategic defence review?

Ms Squire: Will the hon. Gentleman give way?

Mr. Key: No, not until next year.

We have already been told not to take the SDR as gospel but to regard it as a set of guidelines or, as a senior military man put it to me over the weekend, as "one for the Library."

Revision by stealth of the plans for the Territorial Army were already evident last week, in an answer that can be found at column *400* of *Hansard* for 19 April. When will

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the Government acknowledge that chapter 10—entitled "Resources"—the last substantive chapter of the strategic defence review, should have been chapter 1? Its contents are exactly as the Treasury intended. When will Ministers realise that it was never credible that the chapter on resources should be only one page long? Half that page is taken up with a picture, and just 15 lines of text are devoted to financial detail. That is just the tip of the iceberg, and the Government must be careful that it does not sink the strategic defence review.

Another real problem is determining when an efficiency saving is a saving and when it is a cut. In paragraph 396 of the eighth report from the Select Committee on Defence, the Chief of the Defence Staff told the Committee about the effect on the Ministry of Defence of the sustained efficiency programme over the past decade. He described "hollowing out", and the debilitating effect of constant raids on the Army budget when he was Chief of the General Staff. Efficiency savings targets had been passed down the line from top-level budget holders to base-level budget holders. He had had to tell the Prime Minister that the targets were "challenging". Other chiefs of staff also told the Committee that they were a "very stiff challenge".

The Select Committee concluded that the practical effect of the 3 per cent. target was that various real-terms cuts totalling £2 billion would have to be made in operating costs subsumed in the efficiency baseline. It reported that the Ministry of Defence expected operating costs overall to fall by only 2.5 per cent. a year in real terms, so some items of "operating" expenditure might rise.

The conclusion of the Select Committee, printed in bold type, was:

"Provided sufficient efficiency measures are identified to score against the 3 per cent. target"—

they are usually found in budget setting before the year starts—

"the MoD will be able to live within its operating costs"—

that is, non-procurement—

"budget. It is important, however, that the Ministry of Defence secures genuine efficiency improvements."

Mr. Blunt: Does my hon. Friend welcome, with me, the evidence given by Mr. Colin Balmer—the deputy under-secretary at the Ministry of Defence in charge of efficiency savings—to the Committee at its last evidence sessions? He intimated that the Ministry of Defence would produce a list of efficiency measures so that the Committee and the House would be able to come to their own judgments as to whether all the measures taken in pursuit of efficiency savings were either efficiency savings or cuts.

The Minister for the Armed Forces (Mr. Doug Henderson) *indicated assent.*

Mr. Key: Yes, that is good news. I notice too, from the Select Committee's forward programme, that it will be taking evidence on that matter. I look forward to that.

Whatever the statistical explanation, in every single part of the Ministry of Defence's organisation, from basic research to front-line forces, there is a real struggle going on to make ends meet.

Mr. Blunt: I beg my hon. Friend's pardon, but the Minister for the Armed Forces gave a nod of assent at the end of my intervention. It would be appropriate to ensure that that is put on the record.

Mr. Key: I am grateful to my hon. Friend. I noticed that nod, but the Minister is a cheery fellow and often nods at me. That has nothing to do with the strain that he is under at present.

Time after time, I have been told—as I am sure have other hon. Members—that the 3 per cent. savings are simply unachievable. In some areas, it is clear that it will be impossible to deliver the changes required in the strategic defence review and at the same time to live within budget and deliver 3 per cent. savings. That is the stark truth, but it is what the Secretary of State signed up for in the comprehensive spending review last July.

Mr. Menzies Campbell: Is the hon. Gentleman aware that the problem is compounded by the fact that much of what is spent in defence budgets is the subject of existing contracts taken out with private firms, which will be unwilling to accept 3 per cent. less for those contracts? So the 3 per cent. savings have to be found in the remaining portion of the budget, rather than the whole. Does that not make the consequences much more acute?

Mr. Key: Yes, of course. The right hon. and learned Gentleman is right, and the current arithmetic includes one-off sales of assets, revenues from which are very dubious. I am astonished that the Treasury even countenances the idea that such estimates, which will be crucial to the Ministry of Defence's spending, can be included.

The celebrations for the 50th anniversary of NATO, held over the past few days in Washington, have been sombre. That is entirely appropriate in the circumstances, but we should celebrate the organisation's achievements. As a nation, we should be confident about its future. NATO is about human values, democracy, the power of ideas and military power. For each member state, new and old, it is also an expensive commitment.

I have criticised the Government for their current and future cuts to the British defence budget. Apparently, they intend to pursue defence and foreign policies that have already gone beyond the remit of the strategic defence review. Following the Washington summit, NATO has announced new guidelines for the alliance's force posture. We welcome the statement, in paragraph 52 of the summit communiqué, that the size, readiness, availability and deployment of the alliance's military forces will reflect its commitment to collective defence and to the conduct of crisis response operations—sometimes at short notice—distant from their home stations and in areas that lie beyond the allies' territory.

When the Minister of State winds up the debate, will he clarify the role of the Western European Union? Paragraph 30 of the communiqué after the Washington summit states:

"We are relieved that the European security and defence identity will continue to be developed within NATO."

The communiqué states that

"this process will require close co-operation between NATO, the Western European Union and, if and where appropriate, the European Union."

In paragraph 30, it describes the European allies acting by themselves

"under the political control and strategic direction either of the Western European Union or as otherwise agreed."

What is meant by "if", "where appropriate", or "as otherwise agreed"? Unless Ministers say something more positive, we must assume that the future of the Western European Union has not been settled. If so, that would be a significant failure on the Government's part.

The Prime Minister's statement this afternoon compounded the confusion. He said:

"The Alliance stands ready, as the EU defines its defence arrangements, to make NATO force planning, NATO assets and NATO headquarters available for EU-led crisis management operations, subject to the necessary approval of the North Atlantic Council."

I entirely understand why the bit about the North Atlantic Council's approval was put in. That is especially important for allies such as Turkey, which are so important to the alliance. Yet the Prime Minister made no mention of the Western European Union. Do we assume that he has written it off, and that it is Government policy to subsume it within the European Union? I hope that Ministers will clarify those points later.

NATO countries already face defence budget constraints, but does the Washington announcement at the weekend mean that they will have no option but to consider increasing defence expenditure as a percentage of their gross domestic product? The average defence expenditure of all NATO countries as a percentage of GDP fell from a high of 4.8 per cent. in 1985–89, to 2.8 per cent. in 1997, the last year for which figures are available. The United States bore the greatest burden, with a high of 6.3 per cent. and a current total of 3.6 per cent. The United Kingdom spent 5.2 per cent. of GDP in 1980–84, and we now spend 2.7 per cent., although that total will fall to 2.4 per cent. over the next three years. European members of NATO peaked at an average of 3.6 per cent. in 1980–84, and that fell to 2.2 per cent. in 1997.

Mr. Dalyell: Against the background of protests against the Yugoslavian war in 40 German cities this weekend, and given that the Greens are part of the German coalition, can the hon. Gentleman see the German Government telling their people that they will increase the defence budget because of the war against Serbia? Is that real?

Mr. Key: The hon. Gentleman should direct that point to his own Government. There is no doubt that the solidarity shown in Washington is most impressive. It may be that 40 cities demonstrated in Germany, but I suspect that 40 cities in the United Kingdom were horrified by what is happening in Kosovo and dipped into their pockets for the people of that sad, war-torn part of the world.

I do not suggest that the figures that I have given reflect any lack of commitment to NATO or its ideals. However, the Kosovo operation will teach us the hard way that we get what we pay for, a concept well known at Abbey Wood. I pay tribute to Sir Richard Walmsley, chief of defence procurement, and all his team at the Defence Procurement Agency, which replaced the Procurement Executive on 1 April. We also wish success to the new chief of defence logistics, General Sir Sam Cowan, who faces the massive task of creating a fully unified tri-service logistic structure by 1 April 2000.

When the United States military introduced its smart procurement initiative some years ago, it was inevitable that Britain would follow suit. We have done so. In the United Kingdom, the smart procurement implementation team has worked hard to create integrated project teams. I believe that the Minister said that 10 IPTs—I thought 11—were set up last year. Another 23 were created on 1 April. Around 40 will be created in September and 80 more will come on stream in January 2000.

It is said that the pilot IPT leaders have already identified major cost and time savings, as I saw when I visited Abbey Wood recently. However, the pressure on them has been immense, and only time will tell whether savings materialise. The new acquisition cycle has replaced the Downey cycle, with anticipated streamlining of procedures. More important are increased financial delegations to two-star and one-star levels. The real proof will lie in the empowerment of individuals such as the leaders of the IPTs.

Is it really sensible that projects that may span 20 or 30 years may be led by military personnel on short, three-year postings? They will be dipping in and out of the job. I was glad to hear the Minister say that some IPT leaders might come from industry, but there will be similar problems if they are not appointed for significant periods.

Little progress is apparent in several areas, including partnering arrangements with industry. As the Minister said, that is a central plank of smart procurement, but is not defined either by the Ministry of Defence or industry. Without progress, there will continue to be cynicism in industry about the MOD's real intentions.

A more important concern is the lack of evidence of definable progress in the building of clear customer-supplier relationships in the MOD. The suppliers are clear enough. Before fielding equipment, the supplier is the chief of defence procurement, and afterwards it is the chief of defence logistics. The customer before fielding is expected to be the deputy Chief of Defence Staff (Systems), and after fielding, the customer will be the appropriate commander-in-chief.

Both suppliers are full members of the all-important equipment acquisitions committee, however, and they will task themselves as well as accepting their own work. Even more extraordinary is the fact that no customer will be a member of that committee. The vice-Chief of the Defence Staff will be on the committee, but the commander-in-chief will not, and nor will the deputy Chief of the Defence Staff (Systems). That seems to suggest that the tail will wag the dog. The top structure is not yet right in the MOD, and I urge Ministers to address that point.

Significantly, the Minister omitted any mention of the Defence Evaluation and Research Agency. We all understand the way in which business arrives on the Floor of the House. The wishes of Departments are by no means always heeded by the Whips. I dare say that the Ministry of Defence would not have wished today's debate to take place in the midst of the Kosovo crisis. I am prepared to

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give Ministers the benefit of the doubt because they expect next week to publish their proposals and preferred options for DERA in a document that will invite comments to inform their final decision. We hope that the Secretary of State will reach that decision before the House rises in July. There will by then have been a full two years of uncertainty for DERA and its staff and for the whole defence equipment industry. It is time to end that uncertainty.

The House is well aware of the serious concerns expressed over the past two years about the way ahead for DERA. The Minister for Defence Procurement has made it clear that total privatisation is not an option. It would not be fruitful to speculate on what the new document will say, but the Government must expect detailed scrutiny of their proposals. The UK is highly dependent on access to United States technology and, to a lesser extent, to French technology. It is essential that future changes at DERA do not jeopardise that access.

The USA and France retain their research programmes in Government-owned facilities. Of course they will be concerned about allowing access to their research for commercial enterprises. If access is denied, there will be a penalty out of all proportion to the short-term financial gain.

The future of DERA is not only a Ministry of Defence issue, or even an internal UK issue; it is a collaborative, export and global positioning issue. The equipment industry sees DERA as having a crucial part to play in the success of smart procurement. Its advice to the MOD must be independent, impartial and based on scientific expertise gained from active participation in research. That need not necessarily be in every area of research, but it must be enough to maintain a capability and to generate technology in defence-only areas so that it continues to create intellectual property and other items to trade.

Where core research and Ministry of Defence advisory business end up will be crucial to confidence in the new DERA. Many would prefer to see that part of the DERA function remain firmly in MOD ownership, and funded by the MOD. Since 1995, when DERA was established as a next steps agency, there have been many difficulties in its relationships with small and medium-sized enterprises. Those difficulties have arisen from concern that DERA represents unfair competition where it bids in cases in which commercial companies are also invited to bid. DERA has also sometimes been involved in the bid assessment process, although it has itself bid. Many have been unconvinced that Chinese walls have worked properly. There have also been concerns about intellectual property rights.

The Minister knows that mutual trust is crucial. Significant parts of DERA could, most people agree, be sold to raise money without risk in order to beat off the Chancellor. However, much of DERA could be privatised only at great risk to the blue sky and applied defence research programme, future defence capability and exportable technology. I should be grateful if the Minister would confirm that we can expect an announcement on the future of DERA next week.

There has been much talk of military technology, and there is another side to it. In Ethiopia, Somalia, Sierra Leone, Rwanda and, of course, Kosovo, it does not take much for evil men to wreck lives and nations. The man with the knife, the bullet and the bomb is still deadly. Nations with conscript forces may not only face low morale and inefficiency in the face of conflict, but may procure defence equipment with little regard to the costs of manpower. That may be one reason why the Horizon frigate project failed.

Troops without the highest technology also have a vital role to play. In many circumstances, there is still no substitute for ground troops. It is quite feasible that we shall continue to see different tiers of technology in the NATO alliance. At present, Britain is clearly within the first tier, along with the USA.

Information warfare and its consequences are slowly being addressed by the MOD and other Departments. However, I believe that we are not devoting nearly enough time or resources to that problem. Where is the initiative on enhanced defence of critical national infrastructure which we were told on 13 January would be announced shortly?

In the first technological defence tier, digitisation is the name of the game. If we are not up with the United States, we will not be able to operate alongside our principal ally. To put it bluntly, on the digitised, three-dimensional battlefield, where there is no barrier between land, sea and air, if we do not come up on United States screens as a friend, we will be an enemy force. The digitised battlefield is probably only five years away.

The prevailing MOD culture seems to suggest that we should not move too quickly until we know which system works—that we should wait a little before we decide. So, what are Ministers doing while we wait? We should be expending a huge effort and a huge amount of money on research in that highest of technologies. It is not in our interests to allow the technology gap to grow wider between the United States and the United Kingdom. That is another reason why DERA is so important to the national interest.

We should also be concentrating on the reliability of defence systems where we are still lagging behind. The process of incremental acquisition will certainly help where upgrades are planned during the lifetime of a procurement process. However, the basic lesson of experience must be that equipment will often be used in circumstances entirely different from those for which it was designed—such as frigates that were designed for the north Atlantic being in service in the Gulf without adequate air conditioning.

Whether we are talking about new aircraft carriers or new assault rifles, if the Government intend that United Kingdom forces and all their equipment are to operate worldwide in all conditions, the design and the financial consequences must be recognised. Of course, if the best design and the best technology are to be combined, it is most likely that commercial firms making commercial decisions will produce the best answers. It follows that it is less likely that Government meddling will produce anything but second best.

The British defence industry does not need to be reminded that what were already American giants by European standards have now successfully restructured. It does not follow that the best, or even the only, answer is for Governments to force European defence companies into arranged marriages. Nor does it make much sense to force European companies to merge at the expense of the

two-way street in US-UK defence procurement and, potentially, at the cost of losing out on the highest technology in the world on the other side of the Atlantic.

A number of my colleagues intend to mention individual procurement projects. I have briefly mentioned a few. I am not at all sure why the Navy is reported to be so happy with the outcome of the strategic defence review—it needed three carriers and is promised two, and it needs more frigates urgently. The SDR effectively ignored the importance of anti-submarine capability. Given that the best anti-submarine weapon is another submarine, the Royal Navy cannot have been happy that it needed six Astute class submarines but got only three. There will be huge relief that the principal anti-air-missile system is to go ahead. The common new generation frigate project has been a failure as far as the hull is concerned. The Royal Navy needs new frigates now, so the Minister has said that the Government are waiting for industry to come up with something.

I congratulate the Ministry of Defence press office on its statement on the future anti-aircraft missile system. The statement is a masterpiece. The Secretary of State is quoted as saying that there would be

"a collaborative approach to meeting . . . respective requirements for the warships . . . Although it would not be cost-effective to pursue a single prime contract . . . the three countries will build on the tri-national project work already carried out"—

it might be more appropriate to say that they will save something from it. The press release continues:

"We have now a very good result for the navies and industries of the three nations"—

a bit of optimism—

"and for European defence"—

and also two wasted years. Hopefully, we will get some collaboration over the equipment of ships.

I felt cross at the Minister's attitude, which seemed to be, "It's all the fault of the previous Government." He has had two years to get this right. Which country dragged its feet? It was either France or Italy. Will the Minister tell us which country sunk the project? There have been two years of slippage in the in-service date from 2004 to 2006. British shipyards told me a year ago that they were raring to go on a new frigate hull. Ministers have sat around for a further year.

Will the Minister assure me that any new frigate procurement will include gyroscopic satellite decks for the reception of satellite television for British frigates? I understand that only aircraft carriers have that facility and that frigates cannot pick up CNN, BBC World or Sky News, which is a real problem in this day and age of instant communications. I am told that it is a question of cost, but, given the cost of the armaments being used in the current conflict, allowing the crews of our ships to watch satellite television is surely not too much of an expense.

Can the Minister tell us whether his right hon. and noble Friend the Minister for Defence Procurement will make an announcement in another place about the Horizon project? We look forward to the announcement of a way forward for a future transport aircraft. I will not repeat the arguments that have been so well aired in previous debates. Recently, Russia and Ukraine made a bid to offer a westernised version of their jointly developed Antonov AN70 to France, Germany, Italy and Spain, following continued interest from Germany. The patience of Airbus, Boeing and Lockheed Martin is indeed commendable, but when will generosity in the face of caution turn to despair in the face of incompetence?

The United Kingdom has faced a potential threat from ballistic missiles for the best part of a decade. For some years, the UK has been prepared to be the passive partner in the development of a defensive system. We have spent some hundreds of millions of pounds. Time is running out. We had expected to see much more about ballistic missile defence in the strategic defence review, which acknowledges the threat to the United Kingdom and to UK forces deployed overseas, yet the Government apparently remain committed to "monitoring developments". We have not got time for that.

Allied forces in the Gulf were subject to ballistic missile attack, and a recent report by the former United States Secretary of Defence, Donald Rumsfeld, underlined the threat posed by China and North Korea. The Government are dangerously out of step with their allies on the issue. The United States has three operational ballistic missile defence systems and is spending huge sums on theatre and national defence systems. The Government must understand that they need to commission work in that area so that the United Kingdom at least has partial ownership of the necessary systems and British defence companies are at the cutting edge of new defence technologies.

I have been the Member of Parliament for Porton Down for the past 16 years. It has been a privilege to represent that defence scientific community, both military and civilian, and to have observed not only the huge scientific advances that have been made, but the contribution that United Kingdom expertise and technology have made to monitoring chemical and biological weapons in Iraq.

Incidentally, I am most grateful to the colleague who has passed me a message telling me that he wants me to continue speaking for another 45 minutes.

Earlier this month, the Ministry of Defence generously sent me on a briefing mission to the middle east, where I was left in no doubt of the importance of protecting the British military and our allies working together in theatre from the potential effects of weapons of mass destruction. Back in the United Kingdom, I warmly welcome the establishment of a defence, nuclear, biological and chemical headquarters at Winterbourne Gunner, which will control both the defence NBC centre and the new joint Army-RAF NBC regiment at RAF Honnington, which will include elements of the Territorial Army and the Royal Auxiliary Air Force.

I remain concerned, however, about the United Kingdom's strategy for coping with NBC threats to the UK mainland. Disrupting civil society directly by information warfare is a concept that has received wide and mature public recognition. Disruption of civil society by chemical and biological weapons delivered by terrorists or rogue states is a real threat, but it has not been handled adequately, in stark contrast to the experience in the United States of America.

Today's debate on defence equipment is important. Clearly, it comes at an inconvenient moment. It has been necessary to criticise the Government for some shortcomings and to probe, cajole and spur them on to greater things, as I know that my right hon. and hon. Friends, as well as other hon. Members in all parts of the House, will do. However, let there be no doubt that Her

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Majesty's loyal Opposition fully support our service men and women and the scientific, industrial and administrative civil servants who support them. We are proud of the hundreds of thousands of civilians who work in the defence industries as well. Above all, we think today of those undertaking military activity on our behalf, whether in the Balkans, Northern Ireland, Cyprus, the middle east or anywhere else. They know that they can count on us.

6.29 pm

Mr. Barry Jones (Alyn and Deeside): I apologise for the state of my voice, but it will guarantee brevity. I was glad to listen to the hon. Member for Salisbury (Mr. Key). His was a furious gallop through a crowded field, but I listened carefully to what he said about matters concerning NATO.

I congratulate my hon. Friend the Under-Secretary of State for Defence on his cogent and sometimes typically combative speech. I think that his statements on smart procurement were important. I am sure that Ministers will deliver those necessary savings. Best value is also very important. Surely my hon. Friend was right to say that a revolution is taking place in procurement and logistics.

We are debating equipment, but the weaponry of war, however brilliant and sophisticated, is useless kit without well-led, well-trained and well-motivated soldiery. I pay tribute to our fliers over Yugoslavia and to our naval and ground forces adjacent to Kosovo. The prime quality of the British military presence is surely discipline. In what other national armed force is there such discipline, patience, professionalism and resolution, whether in Northern Ireland, the Gulf, the Balkans or the Falklands? I do not know how many of my constituents are engaged in the Balkans, but I wish them all well and thank them for their contribution.

I back my right hon. Friend the Prime Minister's statement today all the way and agree that a moral issue is at stake. We cannot stand aside and ignore the nightmare of Kosovo.

My constituency contains RAF Sealand, which has 1,600 people on site. It is an amalgam of skills and discipline. It is well led, in the best RAF Sealand style, by Group Captain Nigel Bairstow. There is a mix of the civilian and the uniformed, chiefly civilian. It played a distinguished part in the Falklands war and the engagements in the Gulf. I have no doubt that it will always rise to any challenge to keep our front line in the air with precision and safety. The board of management and the work force are collaborating well, as they always have. They do that to maintain at all times the equipment that is required for our fliers.

The Minister made a well-received visit to the unit in the spring. Several years ago, we at RAF Sealand won the in-house bid against all comers, not without a protracted struggle. The reward we ask is to settle down for a long-term role. Our work force want stability and certainty in their employment and agenda. If we have that, we can face the new century with confidence. I respectfully put that point to Ministers and hope that they will respond later.

The Minister mentioned smart procurement. British Aerospace, the major employer in my constituency, tells me that, with other parts of the defence industry, it is working closely with the Ministry of Defence to develop that concept further, believing that it will offer significant benefits to the services, the taxpayer and the industry. The Defence Procurement Agency was created on 1 April, as was the Defence Logistics Organisation. Those are fundamental changes to the Department's structure. How will Ministers ensure that the cultural changes necessary to achieve a new style of management are achieved?

Raytheon Systems has a significant presence in my constituency, with a 200-strong work force and the service centre for the world-renowned Hawker jet, whose fuselage it still manufactures. My Raytheon constituents and I campaigned long and hard to win the MOD's airborne stand-off radar—ASTOR—competition. As I said in an intervention, the inevitable slippage in the announcement of the competition winner has understandably made all of us on Deeside and at the Raytheon factory at Broughton edgy. If we won that competition, Deeside would receive a big boost to its employment and skills base. Wales would benefit hugely from such a success, because Raytheon, with ASTOR under its belt, would become a world centre of excellence. Our school leavers would be able to train for some of the best and most demanding jobs in Europe.

Wales needs more skills-based industries. We gave Britain and the world our very best in steel and coal. Those industries have disappeared or contracted and we are working very hard in Wales generally and in my constituency to make new economies. We need more employment and more skills. If we won this big competition, Wales and my constituency would benefit hugely. I sincerely believe that the work force, led by Billy Mullin, the stewards' chairman, and Peter McKee, Raytheon's UK managing director, can meet any challenges that the Department wishes to place their way.

I understand that, if Raytheon were to win the ASTOR competition, it would involve some 108 United Kingdom companies, create 2,500 technical jobs throughout the country and, with exports, add another 4,000 jobs over time. Mr. Mullin, who leads the work force, believes that Raytheon, with its experience of 100 aircraft types, has a proven capability to integrate such a complex system. That capability would be transferred to Raytheon in Broughton in my constituency and provide a much needed United Kingdom systems capability, some 400 jobs and a long-term future in high-technology aircraft systems integration. I hope that we are successful.

Another huge employer is British Aerospace, particularly through Airbus, for which great company 3,800 people in my constituency work. Airbus has planted its golden feet on the banks of the River Dee, and the prosperity of north-east Wales is underpinned by that expanding and successful company. Every time I see the huge twin-engined jet transporter that we call a Beluga thundering down the runway to take off for Toulouse or Hamburg with 70 tonnes of wings, I know that there are good prospects for my highly skilled constituents.

We want to make a further contribution to our country and to Europe. The positive collaboration of the works director, Bill Travis, and works convenor, John Hamilton, and his senior stewards, is instructive and augurs well for the future. I want to discuss the A400M, the military airlifter, to which the Minister referred. A400M is now the official Airbus designation for what was the future

large aircraft and is its bid to the MOD to meet the second tranche Hercules replacement programme. I understand that the bids are being assessed by the MOD.

Airbus believes that its bid is competitive in every respect and that the A400M is the only aircraft that can fully meet the European staff requirement agreed by the nations involved. If Airbus won that competition, the wings of the heavy-lift A400M would be made in my constituency. In order to ensure that the UK has a significant part of the manufacturing programme, I ask that the 40 to 50 aircraft commitment made by the previous Administration be retained. My hon. Friends on the Treasury Bench may consider confirming that commitment during our debate.

As Airbus has delivered more than 2,000 civil aircraft to customers worldwide and is offering to manage the programme on a wholly commercial basis—unlike other military aircraft programmes—it is fair to say that the A400M project is completely consistent with the Government's determination to achieve smart procurement.

I promised brevity, so I conclude by pointing out that, in relation to these matters that concern my constituency, it is only right and proper—certainly, it is most honourable—for an hon. Member to express a point of view of behalf of his constituents, and to be their advocate in the mother of Parliaments. Sometimes, it is said that Executives—of whatever political party—are overmighty. It is certainly true that the role and standing of hon. Members are in constant flux and change rapidly, but the bedrock of our activity, as I see it, is to be an advocate for a community. I make those points to Ministers most sincerely and thank them for hearing me out.

6.42 pm

Mr. Michael Colvin (Romsey): It is a pleasure to follow the hon. Member for Alyn and Deeside (Mr. Jones). I certainly accord with the sentiments that he has just expressed. I do not think that I have ever taken part in a debate on defence or procurement in which he has not spoken up on behalf of his constituents.

Back in 1976, I was not a Member of Parliament, but gave the Conservative party a hand while we were in opposition. During debates on the nationalisation of the aircraft industry, we identified no fewer than 465 constituencies with an aerospace interest in relation to factories. It is significant that, after the mergers of so many companies—especially in the defence and aerospace fields—the number of facilities has fallen. However, about two thirds of hon. Members still have an interest in aerospace and the defence industries. It is a pity that more of them are not in the Chamber today, to speak on behalf of the communities that they are sent here to represent.

My hon. Friend the Member for Salisbury (Mr. Key) was correct to refer to the way in which our defence budget has been cut by about 4 per cent. and to say that it might be cut by a further 4 per cent. during the three-year period, if the savings are not met on smart procurement, the sale of assets and greater efficiency. He might also have referred to the impact of the growing cost of procurement on the overall budget. At present, it is significant that £10.2 billion is spent on procurement out of the total defence budget of £22.2 billion. From those current figures, given in the pocket aide memoire supplied to us by the Ministry of Defence, we see that 46 per cent. of the defence budget now goes on procurement. That is higher than the original amount of £9.8 billion budgeted for 1998-99, which was only 44 per cent. of the total budget. That share is greater than that for last year, when the percentage of the budget allocated for procurement of equipment was only 43 per cent.

Those figures prove a point that many of us have realised for a long time: inflation, in terms of the equipment that we have to buy for our armed forces, grows at a faster rate than general inflation. If, with a shrinking budget, we are spending an ever higher portion of that budget on procurement, there is less to spend on personnel. That is important, because there is a shortage of men and women in the armed forces; there is a recruitment and a retention problem. If the proportion of the defence budget spent on personnel is to shrink, there will be implications for recruitment and retention.

Mr. Doug Henderson *indicated dissent.*

Mr. Colvin: The Minister shakes his head. Perhaps, he would like to read the aide memoire provided by his Department—I have it here. I assure him that the figures that I quoted were correct.

I congratulate the Government on the good idea of introducing separate defence debates on procurement and on personnel. Procurement is fundamental to the overall strategy for the security of the realm. The matter was addressed by the Defence and Trade and Industry Committees about four years ago. We found that the United Kingdom could no longer supply certain crucial items of equipment that were required for our armed forces. I think that it was then our lack of ability to supply semiconductors that triggered the original concern. Our first report, published in 1995, contained a great deal about collaboration throughout the defence industries and about research and development—indeed, one section of the report was on that subject—but little about the restructuring of Europe's defence industries.

That is why the same two Committees decided last year that the question of the reorganisation of our defence industries should be revisited. The Committees produced another report on "Aspects of Defence Procurement and Industrial Policy"—a mark 2 version—in which the emphasis was entirely different. Our report echoed some of the comments made by the Minister in his introductory remarks; it emphasised the importance of the defence industries to the UK economy. In particular, we addressed the question of security of supplies. We must be able to supply our armed forces with the equipment that they require; we must not be dependent on other countries. Our report drew attention to the fact that more than 400,000 people worked in those industries and stated:

"in 11,000 companies, 10% of the UK's industrial manufacturing workforce. The industry exports 30% of its output, and in 1997 won 23% of the world defence export market."

The industry is remarkably successful. It has been exercising not only the minds of Members of this House, but those of Members of the European Parliament. I pay tribute to Mr. Gary Titley, a Member of the European Parliament who was the rapporteur for the committee that reported to that Parliament on this subject. The Western European Union has also studied the matter; last December, its members considered a report on the

[Mr. Colvin]

restructuring of our defence industries. I want to address that aspect of procurement. It was rather skated over by the Minister, but it is fundamental and should be recorded during the debate, because it provides a background to the points made by hon. Members on defence projects in which they might have a constituency interest.

During the past decade, our European defence industries have been influenced by three broad trends. First, since the end of the cold war, our defence budgets have been cut by about a third in real terms. That is common to all countries in the west. Secondly, although the volume of the global arms trend has shrunk, the defrosting in international relations has made arms markets hugely more competitive. Before 1990, defence exports faced numerous political restrictions. Soviet defence industries had a closed market with their communist satellites. For reasons of security, the USA was often unwilling to license its most advanced weaponry for export beyond its immediate allies in Europe and the far east. That left much of the third-world market open to European manufacturers. Now, most of the rigidities in the post-second world war arms market have been removed. There is almost a free-for-all, in which the traditional arms exporters, unfettered by political limitations, fight in savage competition with newcomers in gradually declining markets.

US defence industries, actively backed by the Pentagon, now sell throughout the world; Russian and Chinese exporters offer cut-price products in their mad scramble for foreign currencies; formerly isolated states, such as Israel and South Africa, developed indigenous industries to be self-sufficient and now bid for most foreign contracts; and the new defence industries in the far east are expanding. When we do succeed in selling abroad, the arrangements often include offsets for local assembly and other technology transfers, which will result in new competitors emerging in defence sectors that were previously the domain of western and former Soviet states.

The third trend is that defence inflation continues to run ahead of average inflation, especially as defence equipment becomes more complex. It has become impossible for any country, with the exception of the United States and perhaps, to a limited extent, Russia, to develop, manufacture and acquire unilaterally a full range of high-technology weaponry.

Falling defence procurement has caused a loss of defence jobs: 600,000 jobs have gone in the EU over the past 10 years—and in the United States employment in the military and space sector has halved, as it has in the UK.

National reactions to the global decline in defence orders have been mixed, but the United States has led the way, with dramatic consolidation of manufacturers and restructuring of the industries. For Europe, more joint ventures and new cross-border mergers are really the only way forward. In the US, the notorious "last supper" cut the number of prime contractors in the aerospace sector from 22 to only four; and two, if not three, of those four are bigger than the whole of western Europe's aerospace industries put together.

Those mega-mergers in the United States have been supported by the Pentagon through the controversial practice of reimbursing military contractors for some of the costs of mergers and rationalisations: for example, Lockheed Martin has requested $1.7 billion in reimbursement payments for its consolidation activities. My question is whether those pay-offs for lay-offs constitute fair international competition. Direct reimbursement for merger costs is not policy in Europe, but should it be?

We should also bear it in mind that US defence spending is twice as high as that of the EU countries combined. That means that the reduced number of US defence manufacturers can survive on US procurement spending alone, so any exports gained are an added bonus. US companies can often undercut their European rivals, which might eventually eliminate foreign competition. We also have to reckon with the pork-barrelling power of American congressmen fighting their constituency corners. We in Europe must adapt our defence industries and procurement policies to enable ourselves to stand up to American competition without creating a fortress Europe. I applaud the Government's having always made that point, and I reinforce it today.

There is no shortage of western European co-operation on specific projects—I believe that most of our current collaborations are with France, with some 33 different defence projects on-going jointly between the UK and France—but we urgently need more permanent commercial mergers, so I applaud the decisions by British Aerospace and GEC-Marconi to merge, and by GKN-Westland and Agusta to get together.

However, such mergers raise an important point touched on by my right hon. Friend the Member for Bridgwater (Mr. King) when he spoke about security of supply. Once a cross-national boundaries merger takes place, if one of the countries happens to be at war and needs supplies but the other country takes the view that it does not want to be involved in any way, a problem arises because the second country can effectively veto supply of the necessary equipment. I understand that there is a letter of intent signed by the countries involved in OCCAR. Will that letter of intent in respect of supply from one country to another to guarantee security of supply become anything more? Is it to become a memorandum of understanding? Might it eventually be enshrined in a treaty? Surely, that is what we want so as to be absolutely certain that the availability of supplies in a time of crisis is guaranteed.

On the question of restructuring, Governments must do their part, especially legislatively, to create the political and economic environment in which such international grouping and cross-border mergers can take place. However, privatisation is a prerequisite. We all know that France has most to do in that respect, and attempts are being made by officials of the French Government to persuade politicians that privatisation is the right way forward. They have a long way to go, but, until privatisation has occurred, the cross-national boundaries mergers that we want will not be possible—certainly not any involving France, which is a considerable hurdle, as it is the UK and France that have to take the lead in Europe.

At the ministerial meeting in November 1997 in Erfurt, an ad hoc group within WEAG—the Western European Armaments Group—was tasked with drafting a master plan for the creation of a European armaments agency within the WEU framework. Most people would agree that the poor old WEU, which is always desperately seeking to justify its existence, does have a role to play

within the defence industries, and it has been effective in making the case and becoming a driving force behind restructuring. The draft master plan was sent to national armaments directors last August, and three questions remain to be resolved among the states concerned.

The first is the problem of "juste retour": states involved in collaborative programmes usually call for a fair industrial return on their respective investments, and the principle of "juste retour" applied on a programme-by-programme basis considerably hampers implementation of programmes. The aim of a European armaments agency would be to favour "juste retour" being applied over all programmes, rather than to individual programmes. Although that might be acceptable to countries with large shares of programmes, those with less extensive participation might be worried about their not obtaining a satisfactory return.

Secondly, what arrangements are to be made for exchange of defence technological know-how? Should it be pooled in the armaments sector? How do we accommodate the different categories of status of the 28 WEU nations?

Thirdly, what degree of autonomy should be delegated to the European armaments agency, and what decision-making powers will it have?

We have witnessed the creation by France, Germany, Italy and the United Kingdom of OCCAR, which will enter into force by ratification by national Parliaments. It will be a programme-led organisation, but what will happen when the United States is a partner in the defence programme being undertaken? Will that be permitted and what powers will the US have within OCCAR if it is?

I stress the importance of Europe-wide thinking in planning the restructuring of our defence industries. The countries of central and eastern Europe, especially the three that have just joined NATO—Poland, Hungary and the Czech Republic—have established defence industries, and cross-border mergers with them will facilitate interoperability and hasten standardisation within NATO.

The bulk of Soviet armaments were manufactured by Russia and the Ukraine, with about 10 million people involved in those industries. They will continue to have an aggressive export policy, but privatisation in those countries has been chaotic and there has been a brain drain to the west. Domestic armaments orders are scarce, but those industries, with their high added value, are precisely the sort that those countries should be trying to retain and develop to solve their economic problems.

I think the European Commission should be asked to extend the Konver programme to facilitate that. It could include collaborations and mergers across the continent of Europe and, incidentally, make it easier for British companies to sell into central and eastern Europe. As I said earlier, when sales are made, the question of offset and assembly in the purchaser country often arises. If the industries do not exist, how on earth can they provide the offset facilities?

I said before that we must never create a fortress Europe or forget that the north Atlantic alliance underpins our security. However, the two-way street in European defence sales and procurement across the Atlantic is outrageously unbalanced by 6:1 in America's favour. The United Kingdom fares better: the balance is about 2:1. We get the lion's share of American business, and long may that remain so. Our European partners do not do well and that 6:1 imbalance must be rectified. We must do everything we can to try to restore balance, but we will stand a far better chance of achieving our goal if the European industries, united through commercial mergers, provide the critical mass necessary to maintain a leading technological edge at low unit cost. If we do not muster the political and commercial courage to achieve that outcome, at the end of the day, we will have no alternative in this country but to buy American.

7.1 pm

Ms Rachel Squire (Dunfermline, West): I shall comment briefly on specific procurement issues and pick up on some of the important issues covered by the hon. Member for Romsey (Mr. Colvin).

I think that it is appropriate to begin by mentioning the people who design, develop and produce our defence equipment. It is a tribute to them that, in spite of years of procurement delays on so many bids and rationalisation of the industry that halved its work force in this country in less than a decade, we still have a defence manufacturing industry that is viewed as a world leader and as an industry that is worth doing business with globally.

I should also pay tribute to the people who use that defence equipment. Our armed forces personnel depend for their lives on that equipment not letting them down when they need it most. As we speak, thousands of members of the British armed forces and the forces of our NATO allies are relying on that equipment to ensure that they return safely to their barracks and posts.

A central aim of the strategic defence review was to ensure that our armed forces are equipped properly. They must be able to undertake a wide variety of military tasks from peacekeeping to high-intensity conflict. That requires equipment that is inherently flexible. I highlight the area of research and design, which comes long before the production stage. Equipment is designed sometimes for military and sometimes for civilian use. More often, dual-use technology is designed for use in both civilian and military spheres. That is certainly the case in the avionics and aerospace industries.

Although it is not strictly a Ministry of Defence initiative, I welcome the Government's recent decision to retain the civil aerospace research and development budget in the Department of Trade and Industry for another year. I hope that will continue as the programme has spin-offs for military research and design.

I am extremely sorry that the hon. Member for Salisbury (Mr. Key) has left the Chamber because I am about to say something truly memorable: I agree with some of his remarks about the Defence Evaluation and Research Agency. I hope that that body will continue to be the MOD's main source of honest and independent scientific and technical advice of the highest quality. I admit to having a direct constituency, as well as a wider, interest in DERA as part of its operations is located at Rosyth. I share some of the concerns expressed by the Defence Committee report and by the industry.

DERA was created to gather scientists and engineers from a full range of areas to work for the MOD. That collaboration of minds was intended to foster the exchange of technical information and to provide a method of forming the multi-disciplinary teams that are

[Ms Rachel Squire]

vital to today's research process. I am concerned that we risk losing some of our best British brains if we over-commercialise DERA.

Mr. Colvin: I am delighted to hear that the hon. Lady has read the Select Committee report specifically about DERA. During our visits to the United States, we discovered that it is enthusiastically embracing co-operation in research and development. That initiative would be undermined if DERA lost the impartiality that it enjoys as a public sector body.

Ms Squire: The hon. Gentleman must be able to read my mind because that is my next point. DERA is trusted as an organisation with integrity. It has developed very good relations with the US Government, in particular, and we recognise that it has access to aspects of US research and development that is not available to other NATO allies.

Mr. Gerald Howarth (Aldershot): I agree entirely with the hon. Lady's remarks about DERA, whose headquarters are located in my constituency. Has she spoken to DERA senior management, who face very real difficulties? DERA's funding has been cut by about 10 per cent. and some of its potential research projects may be put out to the private sector. How may that problem be resolved to preserve DERA as a vital resource in the national interest?

Ms Squire: I have not received that much co-operation from DERA senior management recently. I have attempted to visit DERA at Rosyth to obtain an up-to-date picture of its operations, but I have made little progress in that regard. While I have read the Defence Committee's report, I do not claim to have full knowledge of the fine details of DERA's operations. Therefore, I cannot offer the answers that the hon. Gentleman seeks.

It is important that we maintain DERA's reputation and high standards. DERA at Rosyth will contain the Scottish wing of the Defence Diversification Agency. I am keen to harness its skills and innovative ideas in translating military technology to civilian use and encouraging jobs in that area. Like Conservative Members, I hope that there will soon be an announcement and a report stating how the MOD views the future direction of DERA and confirming that there will soon be security for the highly skilled engineers and others who are involved.

On specific procurement projects, my hon. Friend the Member for Alyn and Deeside (Mr. Jones) has mentioned ASTOR and argued extremely well in its favour. To my knowledge, ASTOR has been considered by the MOD for more than 20 years, so it is a little rich for Conservative Members to say that the Government are causing the project undue delay. I have been inundated—as, I am sure, have other hon. Members—with strong arguments from all the three main bidders about which option the Government should choose. All three have points in their favour relating to retention and support of British jobs and the consolidation of Britain's leading radar technology. I do not envy Ministers in having to make that decision, but like other hon. Members, I hope that it will be announced shortly.

Mr. Michael Foster (Hastings and Rye): Does my hon. Friend agree that the Wizard project has an advantage because when it becomes the market leader, as it inevitably will, the industrial benefit from the jobs that it will create will be significantly greater than that offered by the other bidders?

Ms Squire: I sympathise greatly with my hon. Friend's arguments for one of the bidders, but I have said to all the firms that they have a strong case, so I shall not, at this stage, come down in favour of a particular one.

Hon. Members would think that something was seriously wrong with me if I did not mention Rosyth dockyard. I recently had the pleasure and honour of opening an excellent example of Scottish engineering. It seems appropriate that, as we move into the next century, I performed that duty while in the background stood an example of Scottish engineering from more than 100 years ago—the Forth rail bridge. The new engineering project at the dockyard is a world leader; it is a seismic docking cradle for submarine refits which will withstand an earthquake of point five on the Richter scale. The dock gates also utilise innovative concrete caissons. I pay particular tribute to the Babtie Group and Babcock Defence Ltd and all the designers and engineers who were involved in that project. I pay tribute also to the Minister for the Armed Forces and the Secretary of State for Defence for committing themselves to the allocated programme that was set out by the previous Government. That commitment means that HMS Spartan is, at this very moment, sitting in that seismic docking cradle, providing hundreds of jobs at the dockyard.

I cannot resist pointing out that the project is a prime example of the benefits bestowed by a United Kingdom Government on a Scottish manufacturing work force. It is notable that, once again, the hon. Member for Banff and Buchan (Mr. Salmond) and his colleagues are absent from a defence debate.

I have a question for the Minister about Rosyth dockyard, which I am sure will be of interest to those involved in the procurement process. Is the Kosovo conflict likely to lead to a delay in procurement decisions? At Rosyth, the sonar 2087 programme and the alternative landing ships logistics programme are of particular interest.

On the subject of the shipbuilding and ship refitting industry, like other hon. Members, I was sorry—but not surprised—to hear about the demise of project Horizon. I congratulate the Government for making a decision on that, rather than putting it off as the previous Government did. I hope that the decision will provide additional work opportunities in the British shipyards that we all support. We are keen that they should have a future.

I thank the Minister for the Armed Forces and his colleagues for their interest in and assistance to the troubled Kvaerner Govan shipyard. They have tried to encourage all interested parties to give the shipyard a future.

My impression, when reading of some new technological developments, is that the days of "Beam me up, Scotty," are not far off, but, unfortunately, I am already too ancient to be the first captain of the starship Enterprise. There seems to be widespread agreement that technology has always shaped the battlespace. The battlespace of the future will require—as, to some extent, the present battlespace does—mobility, rapidity of reaction, dispersal of troops and equipment and

disengagement of fighting. Technology and its application must be a high priority. It is vital that our armed forces have equipment that gives them a technological edge over any potential opponents.

As we know from struggling with our office computer hardware and software, information technology changes extremely rapidly. That presents difficulties to the Government, particularly the Defence Procurement Agency. I welcome the introduction of the long-overdue smart procurement initiative in 1997 and the establishment of the agency. I particularly welcome the fact that procurement policy will allow equipment to be upgraded instrumentally, which is one way of trying to keep pace with the developments in information technology.

I welcome the Under-Secretary's mention of the integrated project teams, which are also long overdue and may help us to keep up with information technology. I stress to him the importance of examining all the ways in which we can keep pace with that technology and ensure that our troops on the front line have the best technology available. I know that the MOD has produced a technology strategy, as has the national defence industry. I welcome the Department of Trade and Industry's involvement in the group for aeronautical research and technology in Europe—GATEUR. By such actions, the Government are recognising the crucial importance of information technology to military command, control and communications, and the dual nature of its use.

Increasingly, it seems that the in-phrase to describe that area of information technology, warfare and systems is

"the revolution in military affairs"

which has been the subject of considerable debate in the United States. It is said that it could result in more effective coalition operations if there is compatibility and inter-operability. Therefore, we can scarcely talk about defence equipment, the industry that produces it and, ultimately, the effectiveness and security of our armed forces and of the United Kingdom without talking about international co-operation and collaboration. That means, as the hon. Member for Romsey said, and as the Select Committee reported, that the defence industry can rarely now go it alone.

We shall all continue to argue for defence jobs in our constituencies, and to argue that we must always retain a core defence manufacturing capability for strategic reasons; but, as the excellent joint report on defence procurement by the Defence and Trade and Industry Committees, published in July 1998, said in paragraph 22:

"There are likely to be few cases in the foreseeable future where the UK would wish to operate alone militarily and, with globalised markets, retaining a self-sufficiency in strategic capabilities is becoming an increasingly difficult and expensive option. The key to retaining access to strategically important technologies and manufacturing capabilities, in an era of increasingly rationalised industry and collaborative programmes, is to ensure mutual inter-dependence."

That must be a key theme.

Those two sentences alone have far-reaching consequences for our defence exports, for defence industry rationalisation in Britain and in Europe, equipment interoperability and, ultimately, for defence capability. One cannot consider any of those areas in isolation from the others. It is a very complex area.

Other hon. Members want to speak, so I shall not mention OCCAR and WEAG, ably discussed by the hon. Member for Romsey. However, we must accept that such projects will be affected by the background against which they operate—the enlargement of NATO and of the European Union.

In the strategic defence review, under the supporting objective headed "Equipment Programme", it merely says in one line:

"to procure equipment which most cost-effectively meets agreed military requirements."

That sounds simple and straightforward; yet, as I have learned in my time in the House—and, I hope, have shown in some of my remarks—the area is complex and has implications that go far beyond British shores.

I end as I began, by talking about the people and about my hope—which is shared by other hon. Members—commitment and determination that the defence equipment that is currently being used to deal with the Kosovo crisis will, first, ultimately achieve an end to the brutal butchery of Milosevic's regime; secondly, ensure that more than 1 million refugees can return to live, without fear, in their own country; and finally, and very importantly, enable all our service men and women and those of our NATO allies to return to their own homes and families in safety.

7.24 pm

Mr. David Heath (Somerton and Frome): We have already had an interesting debate. I agree with the right hon. Member for Bridgwater (Mr. King) and the hon. Member for Romsey (Mr. Colvin) that this tri-service debate is of great benefit to our deliberations and shows that jointery can take place even in the Chamber.

I am grateful to Labour Members for having avoided the use of the term "joined-up government" throughout the debate so far. It is always nice to hear these catch phrases, but perhaps we may be spared them once in a while.

As has been said, we have a unique opportunity to debate the vital subject of defence procurement, against the backdrop of the unfolding scenario in Kosovo. That has advantages and disadvantages, but it means that what we are talking about moves from the theoretical immediately to the practical. I join the hon. Member for Dunfermline, West (Ms Squire) in paying tribute to the men and women who are serving with our forces in that theatre and to those who perform the equally crucial job of providing support for those forces.

I start by discussing two financial matters. The first is the implications of the Kosovo conflict. I accept that we have an incomplete picture at this stage, and I would be the last to suggest that an accountant should ride on the back of every fighter, working out the cost, but by 8 April, it was estimated that the conflict had cost £17 million, not including used ordnance. That figure is likely to increase rapidly. Paul Beaver of *Jane's Defence Weekly* estimates that the costs are running at £2 million a day and are set to rise.

The Government have stated their intention, in accessing the contingency reserve, to ensure that the defence budget is not directly harmed as a result, but a very considerable sum is involved. I have it from a source as authoritative as the Liberal Democrat Treasury team—and I certainly would not wish to argue with them—that the total cost might be as much as £1 billion, plus equipment replacement costs. That takes a very considerable chunk out of a £1.2 billion contingency fund.

[Mr. David Heath]

There is a significant risk that, consequently, the Ministry of Defence will seek all of the normal means available to stretch its budget. We are talking about virement, and about slippage within capital procurement costs. Our involvement in Kosovo—or in the region—is unlikely to end in the short term, and we are likely to have an on-going commitment, which will be an expensive option. That must mean that although the strategic objectives of the strategic defence review have probably been reinforced by the conflict, the financial assumptions that underlie the SDR must be revisited, because it is no good ploughing ahead with a strategy based on a specific financial scenario if those resources are no longer available.

The second financial factor, which will interplay with the first, is the success or otherwise of the smart procurement initiative. The Under-Secretary uttered profuse expressions of hope that it would all turn out all right. I should like a little more evidence that it will.

Let us recall the Public Accounts Committee report published in December 1998. It analysed the National Audit Office report on defence projects during 1997. Cost overruns averaged 9.1 per cent. of approvals. Time overruns averaged 37 months. I have to say, as a former leader of a local authority and member of the Audit Commission, that if that sort of thing were happening in programmes within my control, I would be extremely concerned—but it has become the norm in defence procurement.

Those figures are very difficult to reconcile with the aim of saving £2 billion over the next decade. We spend £9 billion a year on defence equipment, so a £2 billion saving over 10 years is about 1.8 per cent. of overall spend. If we set that against a 9.1 per cent. overspend on each project, one dwarfs the other. The possibility of the smart procurement initiative not releasing the funds that are expected is substantial. That is a proper concern.

We might have been better informed had this debate taken place in a few weeks' time. We should then have had the National Audit Office report on major defence projects for 1998, and we could then have tested the hypothesis that new structures were in place that reduced the overspend and made projects more manageable. However, we do not have that information. That is an accident of timing and I accept that Ministers are probably not responsible for that. Nevertheless, it means that we cannot support the theses that have been put forward by Ministers with hard facts. We shall have to consider the consequences for the strategic defence review if there is a lack of achievement.

I shall move on to specific programmes. I appreciate that there is a tradition in this place that Members use these debates as an opportunity to trail the enticements of their specific constituency interests before Ministers in the hope that they will bite. I reassure the Minister that I do not intend to do that. That is not because I have any lack of confidence in the defence contractors within my constituency. I appreciate that GKN Westland's and Thomson Marconi's merits are transparently obvious to the Ministry and do not need amplification by me.

What are the early lessons from Kosovo? First, we saw that British high-level bombing missions were hampered in the early stages by cloudy conditions. Can the Minister assure me that the Brimstone anti-armour missile—I believe that its in-service date is 2001—will rectify that problem and will not suffer in the same way? Given that the strategic defence review's pledge is to decrease book-value stocks by 20 per cent.—I think that we have had that confirmed this evening—will the ordnance that is being used be replaced at lower stock levels than at present? If that is the case, is that wise, given the future commitments that we may have? Should we not be increasing stocks rather than depleting them?

While we are talking about stocking levels, let us consider spare parts for both fixed-wing and rotary-wing aircraft, which are in short supply. How much longer are we to require our maintenance crews to cannibalise aircraft to keep other aircraft in the air? What is the effect of the SDR's reduction of stock on that situation?

We have already had a substantial debate on the contract for the ASTOR project—namely, airborne stand-off radar. As we know, the contract has not yet been let, although we are told that it is receiving close ministerial attention. I wonder to what extent the experiences of Kosovo have informed that consideration by Ministers. Have the operational, interoperability and industrial participation benefits been properly evaluated? Indeed, have operations in Kosovo clearly demonstrated the need for ASTOR and its value to our forces in future?

Earlier this year, we had Phoenix entering service—an unmanned missile used for reconnaissance purposes. Has it been deployed in Kosovo? If not, what is the theatre in which it is to be deployed? If it has been deployed, how does its performance compare with the American and German systems?

The aircraft carriers are close to my heart. We have a renewed commitment that they remain a fundamental part of forward planning. Give the logistical difficulties of relying on other allied nations for rear area deployment, Kosovo has underlined the need to have such a platform if we are to extend our reach. Can we be absolutely sure that nothing in the financial consequences of Kosovo or other decisions that may be taken elsewhere in government will delay the in-service date of 2012 for the two carriers?

Can we see an early decision on future carrier-borne aircraft? I am aware that other options are being considered. It seems that those who will fly the aircraft feel that there is no sensible option other than a short-take-off, vertical-landing version of the joint-strike fighter. The sooner that the Government make that decision, the better.

The Under-Secretary of State unleashed a small bombshell with his announcement on the Horizon frigates. It was a curious way of making a decision with such ramifications. Many questions have been raised. I felt that the Minister was a little reluctant to share with the House the assessed consequences of his decision—what it will mean in prolonging the life of type 42 frigates and the extent to which we can rely on that. What are the consequences of the Minister's announcement for the common foreign and security policy and the European maritime force? How does he reconcile the in-service date of 2004 for the principal anti-air-missile system—PAAMS—and the year 2006 for the commissioning of the frigates? What is to happen in the meantime, or do we assume that PAAMS is delayed by a further two years?

What future is there for TRIGAT, the third generation anti-tank guided weapon? We have chosen to receive the Apache Longbow helicopters with Hellfire missiles, not TRIGAT. However, as I understand it, we are still obliged to fund development. France and Germany have limited needs as well. If the TRIGAT programme disintegrates—that would not be an unlikely scenario given what we have heard this evening about other programmes—how will we maintain European development of anti-tank guided missiles?

I agree with the Minister that Eurofighter is likely to be a very successful aircraft. However, it will need beyond-visual-range air-to-air missiles. A decision has still not been made between the American and European bids. However, if the European bid—the Meteor bid—meets all our operational requirements, is there not a substantial argument for that rather than the American option? The hon. Member for Romsey is absolutely right to say that the so-called two-way street between America and Britain runs substantially in one direction. Indeed, there is no evidence of a two-way street. Perhaps it is better that we should have reliability and confidence in our own systems.

Mr. Colvin: There is a further reason for buying British in this instance, and that is the sale of the Eurofighter to third countries, which could well be stopped if it were equipped with the American version of beyond-visual-range air-to-air missiles. That would not be a very good reason for buying British.

Mr. Heath: The hon. Gentleman is absolutely right. There is a potential restriction on our sales at the diktat of the American Government. That is not an entirely acceptable position. It will be far better if we can ensure that we have a home-grown product that we can sell to those countries that we consider to be appropriate.

The replacement for Hercules and the A400M Airbus project have been mentioned. We have heard from the hon. Member for Alyn and Deeside (Mr. Jones) that they would have a substantial British manufacturing component. We have not yet heard from the Government whether they retain the commitment to 40 to 50 aircraft to maintain the full fleet of heavy lift. I hope that the Minister will be able to enlighten us.

We have heard a little about information technology introductions. One of the great problems is the propensity of IT companies to sell products that they have not even started to develop—so-called vapourware rather than software. We understand that this is a problem in defence procurement as it is elsewhere. However, what recourse do Ministers have in the construction of their contracts when systems that are being introduced appear not to perform the functions for which they are intended? I bring to the attention of the House the introduction of a back-room service—the payroll and exchequer computer systems for the Royal Navy. I understand that there are significant problems in getting them to do the job for which they are intended.

All those systems are based on private-public partnerships. As hon. Members know, we have no intrinsic ideological argument with that, but will they provide the contract flexibility that we will need—to which my right hon. and learned Friend the Member for North-East Fife (Mr. Campbell) referred—and will they provide value for money, given that they lock us into contracts that may, over the longer term, cost more to run? How should we reconcile that with the limited budget within the strategic defence review? Will those systems ensure the maintenance of this country's technological base, which is so important to our future development. As the right hon. Member for Bridgwater said, will they maintain the continuity of supply?

All systems that we procure for our armed forces must have effectiveness in a fighting capacity as their basic requirement.

Mr. Keith Simpson (Mid-Norfolk): Will they work?

Mr. Heath: The hon. Gentleman is absolutely right, but we put further demands on our armed forces, as is being shown in Kosovo and elsewhere around the world. Their work has a humanitarian aspect. I ask the Minister to do everything he can, where possible and without in any way compromising the military effectiveness of what is bought for the forces, to build into the construction of ships or planes the appropriate machinery and the appropriate space so that such equipment can fulfil humanitarian functions as well, because they will become an increasingly large part of the work of our armed forces.

The Minister has a huge number of questions to answer at the end of the debate. I suspect that he will not answer them all, or we should be here for a very long time, and that he will write to me in answer to questions that he does not reply to specifically, but I hope that he will ensure that we maintain the basic thrust of the strategic defence review, that the budget lines follow the review's strategic intentions and that we improve the inter-operability of and co-operation between forces on the European continent so that we can achieve the best value for money and effectiveness for those systems.

I also hope that the Minister will ensure that, if we ask our forces to do extremely difficult jobs in dangerous circumstances, we and they are confident that their kit will do the job that we want them to do.

7.42 pm

Mr. Lindsay Hoyle (Chorley): This is obviously an important debate for all hon. Members and one in which they can put their views across. Whatever hon. Members might say tonight, we should all be a little more honest and accept that, to be fair to them, the Government have given new hope to the armed forces following the failures of the previous Government. If Conservative Members were as honest as the Leader of the Opposition expects them to be, they would apologise for what went on previously.

We should be saying how well the Government have done so far, and even the Opposition must admit that they have been proactive and have engaged in the right way—by speaking to the experts and delivering on behalf of people in the armed forces. I am proud of what the Government have done so far. We are sceptical on some issues, but the majority of what has been done is good. We may worry about certain aspects, or not accept them, but we must look at needs.

BAe-Matra Dynamics, which is just down the road from my constituency, is an important player in the defence of this country and a major supplier that can give us a beyond-visual-range air-to-air missile—the Meteor,

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which we must go for. We must have the right equipment for Eurofighter and Gripen, and Meteor will fit both those aircraft. If we fit Meteor to Eurofighter and Gripen, not only will they be the most effective aircraft, but we will be free from United States export restrictions, which could be placed on us if we go for the opposition and manufacture under licence. We must always remember that.

We must also remember that Russia and China have strong capabilities. China might buy Russian expertise to develop a missile that could take out our aircraft and which could be sold around the world. Meteor, which is by far the most advanced missile in the world, would give us a cutting edge in technology and the air superiority we need. There is no doubt that Eurofighter could be the world's leading aircraft. There is no point in having that aircraft if we do not arm it with the best missile, and Meteor fits that requirement superbly. We have had the arguments and we have delivered on Eurofighter. Hon. Members on both sides of the House recognise the need for that aircraft. Jobs will be created in Lancashire and we need to ensure that there is no job reduction in its defence industry.

We also need to consider the need for the future large aircraft, which is essential. We are a few years from production, but we ought not to lose sight of the important role that it has to play. The FLA is important to the aerospace industry of this country and of Europe. It would allow us to be at the top end of the world heavy-lift aircraft market and, if we do not go ahead, we will end up out of that market and will never be able to step back in. There has been a lot of support for the FLA on both sides of the House.

The alternative is looking for a stopgap, such as C17. The Royal Air Force wants it, but the question mark over the C17 is its expense. We are setting up a scheme in which we can look for a stopgap to be used for the next six to eight years. There is an alternative to the C17—the Antonov. People may ask why we would want to use the Antonov. The answer is simple: Antonovs were used 14 times in 1996, 10 times in 1997 and 16 times in 1998, so why are we worried?

It is important to recognise that the benefit of the Antonov is that it would be operated by a British company and flown by RAF crews, and would save 50 per cent. of the cost of a C17. Let us have a good competition, but a fair one, and let us judge our needs for six years. We should not lose sight of what we should be doing: delivering an FLA with Rolls-Royce engines and securing many jobs in the UK, which is important to us all. We must not lose sight of the fact that there is an alternative to the C17. I hope that my hon. Friend the Minister will take that on board and realise that the British-based Antonov, operated with RAF crews on board, is available to him.

The aerospace industry is important to Lancashire and to the north-west. We have good companies up there, such as Pendle Manufacturing and the Computer Science Corporation in my constituency, and the Lancashire Aerospace Society. Those leading companies have a role to play in the future of the aerospace industry in the north-west.

The headquarters of Royal Ordnance is also in my constituency. That important company's capability ought not to be lost. It should be able to supply ammunition as and when it is needed. The high explosives capability at Bridgwater could also be put at risk. We would be foolhardy to rely on overseas competitors after the previous Government's embarrassment with Belgium. Royal Ordnance has a part to play and should be supported. We must recognise that we need ammunition and ordnance to be supplied from this country and for this country.

Mr. Key: Does the hon. Gentleman agree that none of us disputes for a moment the ability of Somchem and Denel in South Africa to produce those products? It is simply that we doubt very much whether it is in Britain's long-term national interest to be unable to do so.

Mr. Hoyle: I have worries as well. Although Somchem and Denel in South Africa are reputable companies, they might not be able to deliver supplies when we want them. The UK should, therefore, have that capability. This Government must look back at what the previous Government did, because it was a disaster for the Royal Ordnance factories. The previous Government did not support them in their hour of need and we must now recognise that Royal Ordnance will take its last breath unless we support it. It has been strangled for 18 years and we now have the chance to give it a new lease of life. I hope that the Minister sees the benefit of having that capability within the UK, with the headquarters at Chorley.

Another matter that worries me is the trucks that are supplied to the armed forces. What could be better than Leyland Trucks, which has a good record on supplying the armed forces? I am afraid that a contract was given to Volvo. Although Volvo made many promises, 12 months after it had secured the contract, it pulled out. I presume that it will take production back to Sweden. Some will be in Poland, but that is not good for the UK. Indeed, I think that it is a breach of contract. We should be supporting the UK truck industry, which produces quality trucks built by a quality work force. It will give us a long-term commitment, which the UK has always had in the past. To have trucks supplied from abroad is worrying for the future because the supply chain could break down at any time. If we stick with companies like Leyland Trucks, we shall have the benefit of Multipart, which could make all the spares for the Ministry of Defence in Chorley. I hope that the Minister recognises the benefit to be gained from that.

Other speakers have mentioned the fact that helicopters and rotor-wing aircraft have a major role to play. GKN Westland is a wonderful company, which supplied and delivered EH101s to the armed forces. It is a superb helicopter with a long-term role. However, we must not lose sight of what is happening. When we signed up for a joint venture with Agusta, the Italian helicopter company, we were told not to worry because the Italian Government would take some of the helicopters. It never quite happens, does it? We always play our part, but get left high and dry by our partners. We should recognise that Westland has a long-term future and should invest in helicopters beyond the EH101. The building of the Apache helicopter will be under licence and that superior aircraft will give us a strong defence, as well as an attack capability. I look forward to seeing the role that those helicopters will play in the future.

Aircraft carriers have rightly been mentioned, as they are an important theme of the strategic defence review. We were told that two new carriers were required and, hopefully, they will be delivered on time. However, an early order will stop wrangling in the House. It must be recognised that the carriers need to be big enough—well over 50,000 tonnes—because, if nothing else, that provides a floating land mass that can move around the world's hot spots. Obviously, the bigger the carriers are, the better their ability to carry all types of aircraft. Eurofighter should have a naval version, and the new aircraft carriers should be capable of allowing all our aircraft to be used on them.

We should remember that HMS Ocean is a wonderful ship, which is going through sea trials now. It was a brave commitment by the previous Government who, in the face of all that was happening in defence and all the cuts that were going on, ensured that HMS Ocean was built. However, we must learn from their mistakes not to do things on the cheap. HMS Ocean was built on the cheap and that is now proving costly—the anchor that had come from China fell off, so that was not a good start. We had problems during the sea trials, and the carrier is still having hiccups now. It is one thing to get value for money, but to build a ship like a Meccano model, shipping bits in from around the world, simply does not work. We can learn from that and I look forward to hearing a commitment from the Government on carriers.

Mr. Blunt: I have listened with great enjoyment to the hon. Gentleman's endorsement of huge aircraft carriers that can float all our aircraft—in addition to C17s. He is now discussing HMS Ocean. Can I take it that he supports an increase in the defence budget from the projected 2.3 per cent. of our gross domestic product in order to pay for all that?

Mr. Hoyle: I would be foolish to be drawn in by somebody who was an adviser to the previous Government and who made all the mistakes at that time. For the hon. Gentleman to try to tempt me with a bit of bait like that is quite ridiculous. Let us move on to more sensible matters that need to be discussed.

The textile industry is in dire straits. What better way to help it than to allow it to play an important part in equipping the armed forces? When one studies MOD policy on international procurement, one sees that that has been the theme behind it, but we have always wanted to ensure that there is a UK market. That remains healthy at 76 per cent., which is an improvement on previous years. Let us ensure that we give UK companies a fair crack of the whip when contracts are being awarded. It cannot make sense that uniforms are imported from Germany, Belgium, Italy, Spain and Canada. We should look for a supply base in the UK.

The number of contracts awarded to UK companies has increased. In 1996–97, 155 contacts were awarded; in 1997–98, 300 contracts were awarded; and in 1998–99, 358 contracts were awarded, so there has been an improvement for the British textile industry. It is an important manufacturing base and we should support it. Pincroft in Adlington in my constituency is one of the leading companies in the world for supplying camouflage for the armed forces, from New Zealand to the Falklands. Clearly, it is best placed to take up further contracts when they are being awarded.

I should also mention the Royal Marines and the fact that a fast response force is the way in which to proceed. The Royal Marines have a major role to play, but we must ensure that they have the best equipment and the best possible support from the MOD. Let us never do things on the cheap again.

It would be remiss of me not to mention the Territorial Army. Ultimately, the TA's equipment has to be stored and we must take a strategic view on that. We have made a slight mistake, especially as regards Chorley and the 101 TA battalion at Lancaster house. Even at this late stage, I urge the Minister to recognise that Chorley has a part to play. If buildings are to be knocked down—*[Interruption.]* I hear my hon. Friend the Member for Dunfermline, West (Ms Squire) grumbling. She should understand that the problem is bigger than she realises. She has not yet heard about this issue and I am sorry that she feels that she has to sigh, although she is free to do so if she wishes.

Although decisions have been taken, there is still time to reconsider what happens to Lancaster house, because it has a part to play in the future of the Territorial Army as well as the cadets. What has not been allowed for is the fact that everything that the cadets have now will be replicated. A new building where the existing building is demolished does not make much sense, and in addition, the shooting range used not only by the cadets of the Army and the Air Force, but by the sea cadets will be lost. A major cost will be incurred in trying to rebuild that. I urge the Minister to rethink the future of Chorley, because there is still hope there.

Obviously, the National Audit Office has been mentioned. I think that we have a part to play. I question the investigations that the NAO does. It should be more responsible and should act on behalf of Members of Parliament.

7.59 pm

Mr. John Wilkinson (Ruislip-Northwood): It is always a privilege to follow the hon. Member for Chorley (Mr. Hoyle). He clearly cares about the defence of this country. He made his reputation in defence of his local Territorial Army unit, and he made a speech which showed a wide-ranging interest in a number of important equipment issues.

I regret profoundly the loss of the single-service days. Each armed force—each service of the Crown—merits at the very least a day that it can call its own in Parliament, in which we can have a structured debate about the issues that concern that particular service. Today, when we are at war with Serbia—although the Foreign Secretary does not allow us to use the phrase "at war"—I am sure that right hon. and hon. Members would have warmed to the opportunity of being able to pay tribute at length to the air crews of the Royal Air Force who are risking their lives on our behalf over the skies of Serbia and Kosovo, to the Royal Navy and to the Army personnel who have given humanitarian aid. The House should have a debate on equipment, but not at the expense of single-service days.

I shall deal with just one subject. I hope that hon. Members will not think me one-track minded if the subject is mobility. It takes a war to make us realise that our function is never to second-guess military decisions once battle is joined. Our role is to ensure that our service

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personnel have the budgets necessary to conceive, define, develop and procure the equipment necessary for success in war; to man, maintain and modernise it; and to sustain it successfully in operations.

One central theme is worth repeating again and again. It is relevant in peacetime operations, in crisis management, peacekeeping, war fighting and humanitarian relief alike: it is the essential need for mobility. I shall focus on air mobility, because it was featured in the strategic defence review and because the ability to concentrate force rapidly at the decisive point has always been crucial to success in warfare. As we are daily reminded by the misery of the Kosovars, being able to project dominant force rapidly can have a deterrent effect. We seem not to have been able to do so, whether for political or military reasons. A war has erupted and the Kosovars and many others are suffering immeasurably. Once conflict is joined, mobility is central to a war-winning potential.

The need for enhanced air transport, and specifically for strategic heavy lift, grows as our armed forces shrink steadily in size. As we have seen in the Kosovo crisis, the ability swiftly to deploy forces into theatre with their combat equipment and munitions is at a premium. Forces that now take three weeks to deploy to the Balkans from Germany and the United Kingdom would take about the same number of hours from take-off to landing into theatre.

I mentioned the strategic defence review of July last year because it identified as urgent the need for four C17s or their equivalent to improve our strategic air transport. The industrial responses to the invitation to tender for the Royal Air Force's short-term strategic airlift programme only went in at the end of January this year. A decision is not anticipated before the end of 1999. That leisurely time scale is not now tolerable. The Royal Air Force has been able to assess the C17 for years, and has had exchange personnel flying the aircraft with the United States air force. It has also assessed the other contender, the Ukrainian Antonov 124 100 series aircraft, which has been in service with Heavy Lift Cargo Airlines at Stansted for some time.

Furthermore, the delay in the Hercules C130K rolling replacement programme with the more capable C130Js, which are unfortunately not now due to enter squadron service until early next year, accentuates the Royal Air Force's lack of transport volume. The Kosovo war verifies the familiar argument that, as air transport aircraft have to operate into war zones, they must be flown and have their first line servicing performed by uniformed personnel who are subject to Air Force discipline.

For a long time, I have argued that Heavy Lift Cargo Airlines at Stansted should become, under the sponsored reserve concept, a designated Royal Auxiliary Air Force squadron. If the cost of buying or leasing the hugely desirable C17 aircraft, which has an outstanding tactical capability to operate into small airfields, is now prohibitive—I am not able to judge that, only the air staff or perhaps the Treasury can—I believe that the requirement to carry outsize loads, be they main battle tanks, multiple launch rocket systems, armoured fighting vehicles, helicopters, bowsers, bulldozers, munitions, artillery pieces, Bailey bridges, mobile radars, stores of all kinds, fuel or water, is so urgent that the Ukrainian Antonov 124 should be procured. I say "Ukrainian" advisedly because of the risk of political interference were Antonov 124 aircraft leased from Russia.

In size, volume and weightlifting capability, the Antonov 124 is a remarkable aeroplane, but only the air staff can judge its potential against the C17 and the potential of reserve crews to operate it. Suffice it to say that many more transport aircraft are operated by the air national guard and the United States air force reserve together than are operated by the regular United States air force.

Furthermore, the evaluation, in parallel with the short-term strategic airlift programme, of the future transport aircraft to replace the second tranche of some 30 remaining C130Ks should not just consider the relative merits of the C130J, the A400M and the C17, but should also provide the Government with a crucial opportunity to rationalise and optimise the Royal Air Force's military air transport fleet to secure the maximum economy of operation.

I make two passionate pleas. First, the projected in-service date of 2007 for the replacement of the second tranche of C130Ks is too late, as they are uneconomic aircraft and some will have been in service for almost 40 years after their first procurement by the Royal Air Force. The in-service date should be brought forward as far as possible. Early availability of aircraft should be a key factor in the competition; so should spares and support simplification, and the need to avoid the construction of politically rather than militarily motivated aircraft. The Horizon fiasco is a case in point. Collaboration is not an end in itself. What is needed is affordable equipment available to the services within the required time scale and to the performance outlined in the specification. The RAF's fixed-wing transport fleet should therefore have only two fixed-wing aircraft types, one of which must be a genuine heavy-lift aircraft.

The final aspect of this theme, which we shall soon find in the Balkans war to be one of the perennial verities of modern combat, is that the need for helicopters is almost infinite, especially in difficult terrain and against guerrilla and regular armed forces alike. I therefore welcome the modification of the RAF's Chinook fleet to mark 2 status, and the RAF's acquisition of the support helicopter version of the Merlin. The process needs to be accelerated, however, as does the procurement of a more modern fixed-wing fleet.

There is a premium on mobility in modern warfare. It is the message of my speech, and I am sure that, as events unfold in Kosovo, its relevance will become clearer by the day.

8.11 pm

Mr. Tam Dalyell (Linlithgow): On one point, I strongly agree with the hon. Member for Ruislip-Northwood (Mr. Wilkinson). There is much to be said for the old-fashioned single-service debates that we used to have. I must confess that this is the 78th defence debate in which I have taken part. Those single-service debates were productive, and I think that the services welcomed them. In the first in which I took part, the post of Minister for the Armed Forces was occupied by Brigadier John Profumo—and a very good Minister he was to go to. I was brought up in these matters by the predecessor of the present Minister for Defence

Procurement. I refer to George Wigg, with whom my first quarrel concerned his treatment of John Profumo.

As an 18-year-old, I served as a gunner operator—what the Guards call a "donkey walloper"—in the Scots Greys. Although I am strongly opposed to the action in Kosovo, I am neither a pacifist nor other than deeply concerned about our service men. Indeed, when I had the honour to stay with my former national service regiment for three days last year in Bosnia, I was made an honorary member of the mess. I say that because although some of us—including my right hon. Friend the Member for Chesterfield (Mr. Benn) and my hon. Friend the Member for Halifax (Mrs. Mahon)—have been labelled pacifists and heaven knows what, we are not. What we are against are ill-conceived military adventures with an uncertain outcome and an unclear purpose.

It is in that context that I want to ask a question that was put to the Prime Minister five times this afternoon—first by the Leader of the Opposition, then by the Chairman of the Select Committee on Foreign Affairs and then, very directly, by me, by my right hon. Friend the Member for Llanelli (Mr. Davies) and by my hon. Friend the Member for Halifax. The question was this: what actually happens if a Russian ship in the Adriatic, coming into, say, the port of Bar, is apprehended, it is found that there is oil on board, and the ship refuses to take the action—unspecified action—that is asked of it?

That question did not suddenly occur to us. On 25 March, I asked the Foreign Secretary:

"Will my right hon. Friend refer to relations with the Russians? I was talking to *The Economist*'s correspondent in Moscow, Edward Lucas, who asked what would happen to Russian cargo ships or Russian aircraft that might be carrying arms to the Serbs. Are they likely to be intercepted by NATO forces?"

The Foreign Secretary replied—I will not give all his answer—that he was glad to have the opportunity to reply to my question. He added:

"I am confident that the Russian Government will not seek to break the United Nations arms embargo on Serbia. I know that voices have been raised in Russia urging that; but as yet we have had no suggestion from the Russian Government that they intend to supply arms to Serbia".

Clearly, there is the possibility of oil being supplied. It is also clear that, whatever may be the negotiations between the Foreign Secretary and Mr. Ivanov, there are others in the background—General Lebed, Mr. Zugianov and, indeed, relative moderates such as Mr. Gadar—who may take a very different view. It is at our peril that we do not understand the anger of the Russians in this context.

I again ask the question that was asked this afternoon. What are the instructions to British ships? I suppose that this comes under the general heading of rules of engagement, but the blunt question is this: what the hell is a crew meant to do if it apprehends a Russian ship with the prospect of setting alight a serious international incident? That question deserves an answer.

Mr. Deputy Speaker: Order. I hesitate to interrupt the hon. Gentleman, but the debate is about defence equipment, and I think that he should direct his remarks more specifically to that.

Mr. Dalyell: I shall turn to another matter concerning equipment.

Mr. Gerald Howarth: Will the hon. Gentleman give way?

Mr. Dalyell: Of course.

Mr. Howarth: When I listened to the hon. Gentleman's exchange with the Prime Minister this afternoon, it was clear to me from the Prime Minister's answer that he was more than prepared to use some of the equipment that we have been discussing.

Mr. Dalyell: That means military action against the Russians, if I interpret what the hon. Gentleman has said correctly, and that prompts all sorts of questions. Once we embark on armed conflict with the Russians, we embark on a chain of unpredictability that I suspect was not bargained for when some of my colleagues started out on this adventure.

Let me return to the question of equipment. I also asked the Foreign Secretary:

"What is the position of the valuable contacts that my right hon. Friend the Foreign Secretary has had with the Russians over the Arctic fleet and the millennium bug? Has all that co-operation vanished?"

The answer was:

"I assure my hon. Friend that contact and co-operation will not come to an end through any wish on our part. I do not believe that there will be any wish for that from the Russian Government."—[*Official Report*, 25 March 1999; Vol. 328, c. 539-40.]

As I understood it, we were supplying equipment.

This week's issue of *New Scientist* reports:

"Plans for Russia to cooperate with Britain to prevent a nuclear alert caused by the millennium bug have been put on hold because of the Kosovo conflict. The countries were to have exchanged information about early warning systems for nuclear weapons to pre-empt any problems that might be caused by the date change on 1 January. But a spokesman for Britain's Ministry of Defence says that all plans for Y2K cooperation have been 'placed on the backburner for the foreseeable future'."

I ask Ministers what the position regarding Y2K co-operation is now. I understand from constituents in the university of Edinburgh who are involved that these are important matters, and that is it possible that the rusting Soviet Arctic fleet will create difficulties at the millennium.

I say that against the background of having been invited by the Foreign Office to a seminar on precisely this subject in the Locarno room there. One of those addressing the seminar was the governor of Murmansk. Anyone who heard him and the other Russian scientists there must be very clear that—given the end of December 1999—it is a perilous situation.

I come to another technical question, on the bombing of chemical factories. The Serb authorities have warned of an ecological catastrophe if NATO strikes a chemical plant—the Prima Iskra factory—near Belgrade. The Serb authorities have floodlit the factory, so that allied airplanes might see it clearly. The issue is the 180 tonnes of highly toxic hydrofluoride in the factory.

What is the policy of using equipment against chemical installations? As I understand it, real problems of pollution—in relation to chlorine, mercury, phosgene, sulphur dioxide, benzene and ammonia—are caused by the bombing. It will be perfectly satisfactory if the Minister would care to write to me with an answer to that

[Mr. Dalyell]

question. However, I do hope that there is some policy on the folly of bombing highly technical installations in a modern society, with results that cannot be known.

I ask specifically about the Vinca institute, which is currently a very small nuclear installation. However, in 1984, the reactor—an 80 per cent. fissile highly enriched uranium reactor—was closed down. The core is still in it, as negotiations with the Chinese—who had the expertise to remove that particular core—have not been concluded. The fact is that, if any missile hits that type of reactor, regardless of whether it has been closed down—

Mr. Deputy Speaker: Order. Although this is an Adjournment debate, may I remind the hon. Gentleman of my earlier stricture? He should try to direct his remarks more directly to the subject of defence equipment.

Mr. Dalyell: I am asking what defence equipment is used against reactor cores that could be extremely Chernobyl-like dangerous.

I ask also about RAF Harrier GR7s having begun to use old-style bombs in their attacks on Serbian targets in Kosovo. As I understand it, on 10 April, jets were sent out for the first from their base in southern Italy carrying free-fall 1,000-lb bombs. Unlike the Paveway 2 laser-guided bombs used on previous missions against buildings, free-fall bombs rely on tail-fins.

I asked the Secretary of State for Defence how many free-fall bombs have been dropped in Yugoslavia in the past month, and what assessment he has made of the reliability of tail-fin guided direction. Today, he replied:

"A total of about 142 unguided bombs have been dropped by British aircraft in support of Operation Allied Force up to 22 April. They are assessed to have performed reliably and within designed specifications."

That is not the story I get from Kenneth Aitcheson of Rescue—the archaeological organisation—which combed the websites for me and made various inquiries.

Those free-fall bombs have created havoc with the Serbian heritage. They have damaged the 14th-century monastery church at Gracanica, near Pristina. The monastery church has been damaged by several consecutive NATO bombings in the vicinity. During the most recent senseless attack, on the morning of 10 April, the village of Gracanica was bombed again. The monastery is one of the highest achievements of late Byzantine architecture, and is the masterpiece of the best painters, from the beginning of the 14th century, in the whole of the Byzantine empire.

Gracanica has existed over centuries, up to today. In 1993, it was inscribed on the tentative "List of the World Cultural and Natural Heritage", using the UNESCO criteria for cultural property. So much for the bombs accuracy.

What do those free-fall bombs do to the 13th–14th century monastery of the patriarchate of Pec, which was badly damaged? Repeated NATO bombing has destroyed the old city centre of Pec, and the log cabin complex at Locane, near Decane. It has destroyed the old trade centre of Djakovica, and Djakovica's Hadum mosque and Tabaks bridge, and the 16th-century church at Drsnik.

NATO bombing has damaged Kragujevac. On the night of 8–9 April, the centre of Kragujevac was severely bombed by NATO, and the 19th-century church was damaged. So much for the accuracy of those smart weapons. Other 19th-century buildings—the Amidza Konak and the Prince Mihailo Konak—were also damaged. On the night of 15 April, the centre of Kragujevac was bombed by NATO again, and the old Parliament—where the first meeting of the Serbian Parliament was held, in 1859—was damaged.

Also damaged were the 14th-century fortress at Krusevac; the 12th-century St. Nicholas monastery, at Kursumlija; and the Virgin church, of the 6th and 12th centuries, at Kursumlija. Also damaged was the Markova Crkva archaeological site, dating from the 4th–7th centuries. The site was bombed by NATO on the night of 1–2 April, and the early Byzantine church was damaged. Damage was done to St. Procopius church, dating from the 9th–10th century, at Prokuplje; the Kopaonik mausoleum of Josip Pancic; the Vojlovica monastery at Pancevo—

Mr. Deputy Speaker: Order. The hon. Gentleman is an experienced Member of the House. I think that he should come back now to the subject of defence equipment.

Mr. Dalyell: I was really pointing out that defence equipment that is supposed to be accurate is in fact inaccurate unless it is decided that the targets are monasteries and churches. It has not been explained to the House of Commons or to anyone else—it is the effect of bombs that are supposedly accurate, but in fact are not. So anyone who drops tailfin bombs from a great height will get into all sorts of difficulty.

Let us take as an example what happened at Nis, the second largest city in Serbia and one of the oldest prehistoric settlements. The centre of the town and the western surroundings were damaged during the third immense and violent bombing of the city of Nis on 5 and 6 April. Severe damage was inflicted on the Chevaliers barracks and the entire complex of the old Nis fortress, and the centre of the city. The ramparts and the objects within them were badly damaged. I take your guidance, Mr. Deputy Speaker, but I am entitled to ask the people who launched the attack what was their intention. Of course, that was not their intention, but it is the effect of their action. People had better not make claims that they cannot substantiate for bombs and equipment.

I do not blame the pilot as it is in the very nature of affairs that people flying planes at great speed and at great height have all sorts of concerns about being locked on to by lasers and cannot always be as accurate as they might wish. The so-called collateral damage is in the very nature of this kind of war—and we should be forgiven a bit of a horse laugh at the words "collateral damage".

A fortnight ago, the Secretary of State for Defence claimed that all bombing targets were approved by him and the Prime Minister. The Americans must have found that laughable. Why has the Defence Secretary not been challenged on that? Who has the say of life and death over the workers in the Zastava car factory? NATO was warned that 10,000 people were in the plant, yet it went ahead and bombed it. The people of the mining town of Aleksinac had nothing to do with Kosovo, yet they were bombed. We glimpsed the body of an old woman, her legs protruding from the rubble of her home. Who was responsible, or was her life merely collateral? Why did a

NATO pilot fire his missiles at a railway bridge while a civilian train was crossing? We know that terrible things have happened in Kosovo, but the whole story is a matter of Balkan cruelty and there are two sides to it.

Mr. Wilkinson: Of course there are two sides to the story. Does the hon. Gentleman not realise that the weapon that destroyed the bridge and the train had to be launched at some distance from the target? When the pilot began his run and launched the weapons there was probably no train on the bridge. The train may have steamed on to the bridge and was hit. I do not know, but that could well have been the case, so please will the hon. Gentleman recognise the very extreme difficulties within which our aircrew have to operate and the limitations of war? They have no intention of causing collateral damage; they do their best and they should be supported.

Mr. Dalyell: I emphasised the difficulties faced by pilots flying planes at high speeds. I agree that certain things are inevitable, but what does that do other than strengthen the people who are parading in support of Milosevic—the very people who 18 months ago were parading against him? We have snuffed out the fragile seeds of some kind of democracy that were sprouting in the ground in Serbia. What does the bombing do other than make the Serbs more determined, just as the citizens of this city were determined during the Blitz?

Finally, I should like to ask a question about depleted uranium. I interrupted my hon. Friend the Minister in his opening speech and, understandably, he referred me to the report produced by the MOD in March. The summary of that report states that

"there are two types of hazard posed by the use of DU: a radiation hazard, although DU is a low specific activity material (as defined by the International Atomic Energy Agency); and a chemical toxicity hazard, which is similar to that posed by other heavy metals, such as lead. There are a number of ways in which some UK troops could have been exposed to DU during the Gulf conflict. However, it is judged that any radiation effects from these possible exposures are extremely unlikely to be a contributory factor to the illnesses currently being experienced by some Gulf veterans."

Leaving the Gulf out of it, may we have a statement, either in writing or tonight, on whether the armour-piercing equipment which is related to DU specifications is being used and what account has been taken of the feeling among many Gulf veterans and many others that Gulf syndrome had something to do with the use of DU ammunition?

Finally, there is always the question, "What would you do?" I shall quote how Professor Sir Michael Howard, writing in *The Times*, ended his powerful lead letter. He wrote:

"The alternative is a negotiated settlement that Serbia can live with"—

Mr. Deputy Speaker: Order. The hon. Gentleman is really trying my patience now. This is not a general debate on the conflict in Kosovo; it is about defence equipment. He has listened to most of the debate and heard what kind of debate it is supposed to be. It is not about the conflict in Kosovo.

Mr. Dalyell: I end by begging my right hon. Friends to rethink their policy of "capitulation or else", because that will get us nowhere.

8.35 pm

Mr. Ken Maginnis (Fermanagh and South Tyrone): It was said earlier that this was not an appropriate time for this debate, given that the Secretary of State and Ministers were preoccupied with Kosovo. I think that the present conflict in Kosovo and the recent events in Iraq mean that the debate is not untimely. I welcome the opportunity to contribute to this debate and to talk about how best to defend the United Kingdom's security interests and further the cause of peace around the globe.

Over the years, British armed forces have demonstrated their adaptability and flexibility. We in Northern Ireland have witnessed daily the courage and tenacity of our service men and women in support of the Royal Ulster Constabulary, which has prevented chaos and anarchy taking hold of the Province. We were reminded of that only a few weeks ago, when newspaper reports recounted how the IRA's most notorious sniper unit was finally captured in south Armagh, thanks to the bravery and skill of the Special Air Services.

Our service men and women have served Northern Ireland well. In turn, as hon. Members interested in British industrial history will acknowledge, Northern Ireland's shipyards and aerospace industry have made important contributions to the national economy in peacetime, and to national security in times of war.

However, neither the armed forces nor the defence and aerospace industries can afford to be complacent. Technology moves forward at a breathless pace. As we have noted, military campaigns are being conducted in different ways, and defence chiefs are utilising technological advances more effectively. The strategic defence review, and the Government's commitment to implement its proposals, together amount to an explicit recognition of that, as does smart procurement, the new shibboleth of Ministry of Defence policy.

Similarly, the aerospace industry has had to change and rationalise to compete. In Northern Ireland, Short Brothers has evolved from manufacturing complete aircraft to specialising in the production of major composite components—nacelle systems, missile systems and fuselages. Specialisation in those areas has brought renewed recognition of excellence. Shorts remains the largest manufacturing employer in Northern Ireland, with a work force of about 7,000 men and women.

In the light of the technological advances and the ways in which modern warfare is conducted, the Ministry of Defence announced plans to provide the British armed forces with an airborne stand-off radar capability—ASTOR. Few can doubt the efficacy of such equipment, which would have been of immense benefit to our forces in Iraq during the Gulf war. Given that the region remains unstable, it may well be a necessary asset in the future.

Let me digress for a moment. About a month ago, I accompanied an all-party group to the United States to look at the question of weapons of mass destruction. I was startled, to put it mildly, to discover that the Americans, after the futile experiment of star wars technology, were thinking in terms of an anti-missile defence system. That was stand-off in its worst possible form.

To my knowledge, weapons of mass destruction have not been mentioned tonight. We are in an age in which such weapons—nuclear, biological or chemical—need not necessarily be delivered by missile, but can be delivered covertly, in ordinary transport. There therefore seems little

[Mr. Ken Maginnis]

to be said for adopting an ultimate defence stand-off. There will be increasing pressure on democratic countries to ensure that production of weapons of mass destruction in those states referred to as rogue states are dealt with at source. More and more, I believe, the western world will have to police rogue countries close to the source of the danger.

I disagree largely with the way in which the hon. Member for Linlithgow (Mr. Dalyell) presented his case, but I have some concern that, as a member of NATO along with our American allies, we are moving towards a point that is morally hard to sustain as regards the intensity of bombing in Kosovo. I do not fail to recognise that we must disable the anti-aircraft defences of the Serbs, create logistical problems for them and deal with their fuel reserves before we commit troops on the ground. However, we face the problem that people on the ground in Kosovo, who are not yet benefiting from our intervention—

Mr. Deputy Speaker: Order. I hope that the hon. Gentleman will not follow the same line as the hon. Member for Linlithgow (Mr. Dalyell).

Mr. Maginnis: Be assured, Mr. Deputy Speaker, that I have no intention of doing so. I am making this point as a basis for what I want to say about ASTOR. As a European nation, we are beginning to recognise that we shall, sooner or later, have to put ground troops into Kosovo. That situation will face us again and again in forthcoming decades if we continue to assume the role of policing the world. The importance of ASTOR capability is further underlined every day by television reports of what is happening in Kosovo. Ultimately, we may have to put in ground troops if we are to resolve the problems faced by the Kosovars.

Should ground troops eventually be deployed, an ASTOR system would offer long-range surveillance of enemy troop movements and facilitate the targeting of precision weapons, missiles and ground attack aircraft. ASTOR would also provide data that would enable more efficient management of refugee movements. Had ASTOR been operational now, accounting for refugees would have been more straightforward. Losing literally thousands of those refugees would have been avoided and, on that basis, humanitarian aid could have been distributed more effectively.

In Northern Ireland, we have a particular interest in the project. Shorts Bombardier, alongside Raytheon, is among the bidders for the programme. Raytheon has selected the Bombardier Global Express business jet as the platform for the radar. The Global Express is an all-new design. It was designed specifically for high-altitude, long-range travel. As it is a new aircraft, it has built-in growth potential, which will enable it to incorporate more functions as required. Moreover, when compared with its competitors, the Global Express has a longer range, superior take-off and landing performance and lower direct operating costs at higher cruise speeds. Significantly, the Global Express also has a higher mission reliability based on performance comparisons with its main rivals.

Global Express is a key programme for Northern Ireland. Shorts alone makes 25 per cent. of the aircraft, including the forward fuselage, engine nacelles, horizontal stabiliser and other components. About 700 jobs at Shorts depend on Global Express at full production. If the aircraft were selected for the ASTOR programme, 130 new jobs would be created in a three-year period, 30 of them in engineering design, thereby helping to retain a key capability.

The success of the Raytheon bid would also enhance manufacturing industry in other parts of the United Kingdom where help is most needed. More than 350 jobs in Scotland and 400 jobs in Wales depend on the success of the bid. Seventy five per cent. of the ASTOR radar would be designed and manufactured in Edinburgh and Glenrothes, thus creating a new radar technology axis in Scotland, which will provide a new long-term capability. The mission system will be integrated into the Global Express at Broughton in north Wales. The "Celtic fringes" have always been at the forefront of British technology and intellectual expansion. The Raytheon project helps to recreate that dynamic.

Of course, there is a significant English constituency too. Motorola in Basingstoke and RSL in Harlow will provide the ground stations where the information produced by ASTOR will be analysed and passed to the commanders. Data links, which provide the sophisticated communications in ASTOR, will be produced by Ultra Electronics in Greenford, Middlesex.

The hon. Member for Alyn and Deeside (Mr. Jones) pointed out—I do not apologise for endorsing and reiterating the argument—that if Raytheon, which is transferring to the UK technology in radar, systems integration, communications, aircraft modification and manufacture, is awarded the contract, it will have repercussions to the benefit of the United Kingdom as a whole for decades to come. It will give the UK ownership of the entire Raytheon system and that augurs well for the future.

Our policy towards Iraq, which has been reiterated by defence chiefs in the past few weeks in relation to Kosovo, has demonstrated that Britain's security interests are, perhaps more than ever before, tied to the fortunes of the Royal Air Force. Increasingly, military intervention involves air strikes to diminish the capacity of aggressors to wreak war on defenceless civilians. Hence, it is scarcely an exaggeration to say that future British security interests are dependent on the success of the Eurofighter 2000. The United Kingdom is making a £16 billion investment in the EF2000, a massive commitment. It is essential that the aircraft is equipped with the best possible missile. Again, we in Northern Ireland have a special interest in the project. We believe that the Raytheon future medium-range air-to-air missile—FMRAAM—package offers the MOD the best possible solution.

It has been rumoured, and it was repeated tonight by the hon. Members for Somerton and Frome (Mr. Heath) and for Chorley (Mr. Hoyle), that if the Raytheon FMRAAM is selected to arm the aircraft, the United States will use it as a veto on Eurofighter exports. That argument neglects to acknowledge that the United States Secretary of State for Defence has assured the Secretary of State for Defence that that will not happen. He has promised that FMRAAM will not be used as a lever in any future competition between Eurofighter and rival US aircraft. The advanced medium-range air-to-air missile—AMRAAM—on which the Raytheon Shorts FMRAAM is based, has been exported to more than 20 countries

throughout the world. Furthermore, the Eurofighter was designed at the outset to carry AMRAAM. The case for the FMRAAM solution is overwhelming, particularly as the rival missile has yet to be developed. In Northern Ireland, we hope that it will be chosen and that the MOD will show common sense when the time comes to award the contract.

The debate was inevitably overshadowed by events in Kosovo. We have been given an insight, if we needed it, of what future war will look like. It is therefore appropriate that we arm our service men and women with the best equipment possible. In coming weeks, as contracts are awarded, we hope that that will be borne in mind and that the MOD will select the Raytheon FMRAAM and the ASTOR solutions. As they are developments of existing technologically proven systems and offer a firm basis for the incorporation of future technological advances, we are convinced that both packages will enhance our defence capabilities and effectively meet future operational requirements.

8.53 pm

Mr. Harry Cohen (Leyton and Wanstead): It is a pleasure to follow the hon. Member for Fermanagh and South Tyrone (Mr. Maginnis). I hope that he will excuse me for not taking up the issues that he raised, although I associate myself with his tribute to the workers of Northern Ireland, including those in the defence industry.

Defence procurement forms a large proportion of defence spending and is intimately linked with the roles that the armed forces are asked to fulfil. I agree with the hon. Member for Somerton and Frome (Mr. Heath) that it must be increasingly aimed at peacekeeping and peace support operations as well as war fighting. The armed forces have an important role in humanitarian aid and assistance and equipment procurement must reflect that.

I do not wish to focus on Kosovo, except to say that having British forces involved in fighting helps to focus the mind on what we should equip them with. Although I am not yet convinced that an invasion is the right idea, it is significant that the Government are purchasing 386 Challenger 2 tanks, but the British Army has no easy way of transporting to the Balkans tanks of that size. The Government recently announced that there will be four new roll on/roll off ferries, and that will do something to improve the results of years of Tory mismanagement of that issue. Furthermore, we need to consider a proper heavy lift capability. I agree with the comment made by an earlier speaker that we should not rule out the Antonov even as a partial solution to the heavy lift matter.

Year after year, billions of pounds have been spent on defence equipment by this country and other NATO countries, but NATO's military cannot perform its job in Serbia as quickly as we would like. We are told that the problem is the weather or the topography and that we cannot deal with the killers on the ground. In that respect, it seems to me that we have been slow to put the Apache helicopters into action.

I realise that all those matters will be reviewed. The Chairman of the Select Committee on Defence—of which I am a member—has said that all aspects of the war will be reviewed when it is over. However, in the past, there have been inefficiencies, wrong priorities and—in some cases—rip-offs on the part of the defence industry. That must change, and the Government are making a start to ensure that it does change.

One of the largest areas of procurement is Britain's nuclear weapons programme. What use is the fact that we have nuclear weapons in relation to the fighting in Kosovo? We could never use nuclear weapons against Serbia, or in any similar war. What is the point in keeping them? That is an example of wrong priorities. Procurement for the Trident programme is still taking place, and that money could be saved immediately.

During the Minister's speech, I raised the matter of cruise missiles. I understand from a Press Association report that we bought 65 Tomahawk cruise missiles from the United States for £190 million. On 15 April, *The Herald* reported that:

"The Royal Navy's only Tomahawk-capable nuclear submarine, HMS Splendid, has fired off six missiles. The tally for that burst of hi-tech fireworks alone is £4.5m."

The BBC's website recently stated that:

"Each of the 100 cruise missiles already launched at Serb military targets by Nato costs more than £835,000."

That is the cost of each one, and more than 100 have already been launched.

This is mainly an air war, so the military might consider it appropriate to fire cruise missiles. However, as my hon. Friend the Minister said, this country's cruise missiles have only recently completed the test procedures, and I think that it would be unwise to make heavy use of them in the Federal Republic of Yugoslavia. First, there must be some uncertainty about their reliability and, secondly, it would be a matter for concern if we used up all our stock quickly. There would be heavy replacement costs. We should exercise some caution in the use of cruise missiles, even if they seem to be appropriate.

Mr. Blunt: The hon. Gentleman might not be aware that US Secretary Cohen was reported to have criticised the Europeans today for the level and quality of their contribution to the Kosovo business. As I know that the hon. Gentleman is a great believer in the North Atlantic alliance and a member of the North Atlantic Assembly, he must surely believe in burden sharing. Does he not think that the United Kingdom should be doing its bit with cruise missiles, and that we should be reordering cruise missiles so that there are more of them in our inventory and we can take up our fair share of the burden?

Mr. Cohen: Our service men and pilots are putting their lives at risk. They are certainly doing their bit, and I would refute any suggestion to the contrary. For reasons that I have explained, I am not in favour of using up immediately our entire supply of cruise missiles, for which we have paid heavily and which we have only just tested, and having to order more, which would place a large financial burden on our defence budget.

Sometimes, insufficient attention is paid to rectifying faults that appear in defence equipment, an example of which is deficiencies in the safety release mechanisms on the turret cage in the Warrior armoured fighting vehicle. The cage is designed to prevent soldiers in the Warrior from becoming entangled in equipment when the turret turns. Last year, in a tragic accident, a young soldier, Private Craig Mason, drowned while on a night exercise on Salisbury plain. His Warrior overturned into a puddle, trapping him upside-down in the vehicle, and his colleagues were unable to operate the safety mechanisms to release the cage and allow him to escape.

[Mr. Cohen]

I do not specifically blame those who designed the cage—it is not possible to foresee every eventuality and all conditions. However, it is important that, when such defects are discovered, they should be corrected at the first possible opportunity. I understand that a redesigned cage has been developed, but that no decision has been taken in respect of fitting it throughout the Warrior fleet. *The Wiltshire Times* of 16 April carried an article about Private Mason's inquest, the final paragraph of which stated:

"Following the incident, a prototype mesh harness system has been developed by Army technicians at Warminster to replace the cage in the Warriors. If it is successful, the Army's entire Warrior fleet could be refitted with them."

However, as I said, it appears that the Ministry of Defence is dragging its feet in making a decision on that matter. I hope that it will stop doing so and fit the redesigned safety feature. British Army Warriors might be in combat soon and, if this country is to send troops into battle, it is vital that they have safe equipment.

Another reason for my concern about such problems is the emphasis in smart procurement on getting equipment into service early and updating it while it is in service. That sounds good and I support the principle, but, as the example of the Warrior illustrates, the record in practice is not good. Smart procurement was a change introduced by the Labour Government and it is hoped that it will increase the value for money obtained by the Government when purchasing defence equipment. However, there is a complicating factor that might make it harder to tell whether better value for money has been obtained.

The traditional means of calculating Government expenditure is to be changed. The new resource-based accounting system will be introduced for Government spending over the next few years and, in many respects, it will be an improvement on the existing cash-based estimates system. With the new system will come new rules and, for most Departments, a clear distinction for capital expenditure, which is welcome. However, for the Ministry of Defence, it is not clear exactly where that distinction will lie: a building refurbishment will clearly be capital expenditure, but the purchase of a Eurofighter appears to be counted differently.

There has to be more information from the MOD and the Treasury to make the accounts clearer, not only to Members of Parliament, but to the media and the public. There has to be clarity in defence expenditure, because every pound spent on defence is a pound that cannot be spent on health or education. That makes it extremely important that every pound spent on defence equipment can be justified.

I do not agree with the hon. Member for Salisbury (Mr. Key), who made the case for additional defence spending. My right hon. Friend the Secretary of State for Defence has pointed out that spending by the European members of NATO is 70 per cent. of United States spending on defence equipment, but they do not obtain anywhere near 70 per cent. of the worth—the bang—that the United States obtains from its spending. It is not a matter of increasing spending: our priority must be to ensure better value for money. We should look to doing that before we look to spending more money.

I pay tribute to the Government for initiating the strategic defence review, which was a remarkable effort. However, the review, which examined the defence of this country, should not be considered a one-off exercise. The world is changing quickly and we must keep our defence and defence procurement policies under constant review. We must ensure that our defence equipment is relevant to current requirements. Our policies should not be based on overkill, the last war or the cold war, as that would result in wrong priorities and wasted money.

9.6 pm

Mr. Gerald Howarth (Aldershot): I think I bring a unique quality to the debate this evening, in that I am the only hon. Member to declare openly that I once worked for the Russians. I worked for a Russian combat aircraft designer, Sukhoi Design Bureau, in Moscow, and I hope that that experience has helped to inform my understanding of these important issues.

This has been an interesting debate, in that it has provided an opportunity to consider some very serious procurement issues. The Minister will be aware that many claims have been made on behalf of individual companies and contractors. It is entirely right and proper for hon. Members to make such claims. I join those who have praised the hon. Member for Alyn and Deeside (Mr. Jones)—who is not in his place—for the assiduity with which he prosecutes his case on behalf of his constituents every time he has the opportunity. He is probably more assiduous than most other hon. Members in that regard—although I do not wish to detract from their efforts tonight.

The headquarters of British Aerospace is located in my constituency of Aldershot. It will become the third largest defence contractor in the world if the merger with GEC-Marconi goes through. There is also the headquarters of the Defence Evaluation and Research Agency and many other small and medium-sized enterprises that contribute significantly to Britain's defence manufacturing capability, such as St. Bernard Composites—which makes the fan case linings for Rolls-Royce engines—Air Log, Cam-Lok, Weston Aerospace and IBM.

Defence equipment is a fantastic success story in this country. Although I welcome Labour's conversion to the importance of strong defence, I wish that Labour Members would give greater recognition to the contribution of Conservative Governments from 1979 to 1997. Thanks to them, Labour was able to promote its foreign policy objectives when it came to office. The Labour Government had at their disposal a sophisticated, state-of-the-art and capable defence force that they could deploy in time of trouble—as they are doing now.

I shall not advance tonight the case for any particular programme, but I think Ministers should consider carefully the lessons of the past. Their procurement decisions should not be informed only by the need to generate jobs in the United Kingdom; the equipment must be capable of performing the task and it must be available at a competitive price. I also urge Ministers to take into account security of supply so that, when the Government have procured the equipment, there will not stand between them and its deployment a foreign Government or company that is withholding supply, thereby limiting the United Kingdom's ability to deploy its forces.

It is important that Ministers take into account the continuing development of technological capability in this country. I well remember the late 1980s, when we were considering a new anti-radar missile. On offer were

the HARM, high-speed anti-radar missile, from the United States and the ALARM, air-launched anti-radar missile, which was promoted by British Aerospace. I then had no constituency interest in defence, but I was in favour of the ALARM project simply because, if we had bought HARM, we would not have had access to the head technology. By developing our own technology, we made sure that we would later be in a position to keep up with the rest of the world and provide our Government with a British-made option.

The only specific reference that I shall make is to the BVRAAM—beyond-visual-range air-to-air missile—Meteor programme, in which British Aerospace is involved, and to which the same principle applies. If that weapon is procured, the technology will remain in the United Kingdom and we shall not then be subject to a potential veto from the US Congress.

My next point relates to the consolidation of the defence manufacturing base. I mentioned earlier that, if British Aerospace merges with GEC-Marconi, it will be the third largest contractor in the world. I am delighted that British Aerospace has chosen that option, rather than prosecuting the proposal to merge with DASA of Germany, because the arrangements proposed in the latter case would have transferred substantial ownership overseas. It is to the advantage of the United Kingdom that British Aerospace should merge with another British company to create the formidable power that the new, enlarged company will become. I hope that the Minister will comment on the progress in that merger, and state what part the Government are playing in ensuring that the competition authorities on the continent are supportive of it.

I do not support that merger for any chauvinist or jingoistic reason. Collaborative programmes were mentioned earlier in the debate and, although there is clearly an advantage in collaboration—indeed, it is, in many cases, a necessity—it carries costs. In a collaborative project, attempts must continually be made to keep all parties on side and stop the project running into the sand. The Typhoon Eurofighter project is an example of such a project. Ministers, particularly under the previous Government, had to go to Munich several times to stiffen the Germans' resolve, keep participants on board and keep the project alive. It is therefore to our advantage to maintain collaboration within the United Kingdom.

Collaboration between UK companies is advantageous also because our defence industry does not look only across the channel, but looks to neutral Sweden, where British Aerospace has teamed up with Saab, and to the United States. I shall turn later to the United States and the Defence Evaluation and Research Agency. The two-way street is extremely important, and the sharing of technology between us and the US is beneficial to the United Kingdom and our defence industrial base. That collaboration arises because we have a common interest and because the two nations that can be best relied on to defend freedom around the world are the United Kingdom and the United States of America.

I give the Minister a word of warning, which arises from a particular case. When Dowty, which is part of the TI Group, sought to acquire the Messier undercarriage business in France, it found it extremely difficult to do so. In the end, Snecma bid for Dowty in the United Kingdom. I am told that it offered such a ridiculous price that the TI Group accepted it, and so that capability could be transferred to France. We might therefore find that a specific capability was no longer available in the United Kingdom, and we might become dependent on the whim of the French Government.

I intervened in the matter, and I understand that the assurances that I suggested should be given by the French company and the French Government were secured. That nevertheless illustrates the argument by my right hon. Friend the Member for Bridgwater (Mr. King) that security of supply is important, and that we shall defeat our own purposes unless we are prepared to strive to ensure that security of supply.

My next point is a brief one about exports. When the Labour party came to office, much was said about a new ethical foreign policy and ethics in defence exports. That wrongly presupposed that there were no such ethics before. The previous Conservative Government were very strongly driven by ethical considerations in defence export capability. I emphasise, however, that defence exports are vital to our defence manufacturing base in this country.

If we were not to rely on defence exports, the unit cost of producing sophisticated kit in this country, solely for our own consumption, would be astronomical; we simply could not afford it. The extended production runs that are afforded by export orders enable us to reduce the unit cost of the equipment that is purchased by the British Government. That is beneficial to the British taxpayer and to industry, and the Defence Committee's analysis reveals that it saves about £350 million in amortising the costs of project overheads.

Defence exports have another benefit, which the House should take into account. They enhance the United Kingdom's influence overseas and provide us with that handle on overseas Governments which I wish to prevent their having on us. In the event that a change of Government happens in a country to which we have supplied equipment, we shall be in a position to influence that Government for the better.

We have been extremely lucky in the series of distinguished heads of the Defence Exports Services Organisation. Sir Charles Masefield was absolutely brilliant—an outstanding man—and I am delighted that Tony Edwards has succeeded him. The Defence Committee has investigated the latter and found him to have a totally clean bill of health, and I am sure that he will do a splendid job.

The Defence Evaluation and Research Agency has genuine difficulties. The hon. Member for Dunfermline, West (Ms Squire) mentioned some issues surrounding DERA; slightly unfairly, I challenged her, asking about the problems that it faces. I am sorry that she has not talked to the management of DERA, because I think that she should.

I have spoken to Sir John Chisholm, chief executive of DERA. He told me that, first, the Government are running down the amount of money made available to DERA; secondly, although there is some spin-off from defence research into the commercial world, a great deal of business is spun in from the commercial world and is adapted to the military world; and, thirdly, DERA is obliged to compete with commercial companies for Government defence grants and studies. The agency therefore has real problems.

[Mr. Gerald Howarth]

I believe that there is unanimity across the Floor of the Chamber—it is important that there should be—that DERA provides the British Government with that independent, high-quality scientific evaluative capacity by which to judge all the competitive projects that are presented to Government. I agree with Kevin Smith of British Aerospace that DERA's second purpose is to engage in that sky blue research that shows no immediate likelihood of producing a payback—for, if it did, the commercial world would be doing it—thus ensuring that we have the capability to stay at the forefront.

I cannot stress too strongly what has already been said about the link with the United States of America. I have said in the House before—I apologise for repeating it, but it is important—that we have access to United States technology and shared information in large measure because the Americans trust us. For some reason, they trust us because DERA is a Government agency. That is a fact of life. There is plenty of evidence to show that, rightly or wrongly, the United States is not happy in undertaking collaborative work with countries other than the United Kingdom. I therefore make a strong plea that, in the new public-private partnership arrangement that the Americans come to with DERA, those two key areas must remain within the public sector and under the aegis of the Ministry of Defence. To do otherwise would betray a vital British national asset.

9.21 pm

Mr. Keith Simpson (Mid-Norfolk): This has been an interesting, but foreshortened, debate. Eleven Back Benchers have contributed to it. As several have said, the debate has been held against the background of a war in the Balkans. On these occasions, we usually have a discussion about the United Kingdom defence industry and employment, but that becomes very much second order against the military realities.

I welcome the first of the functional debates that will replace the single-service debates. I understand the point made by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson) that the single-service debates enabled us to discuss aspects of the Royal Navy, the Army and the Royal Air Force, but I believe that we are likely to get far more out of debates on defence policy, procurement and personnel.

It is unfortunate that we were not able to begin this series of debates without a debate on defence policy. One of the consequences has been that many hon. Members have ranged somewhat widely over many topics. With your indulgence, Mr. Deputy Speaker, I will probably follow suit. Unlike the spokesman for the Liberal Democrats, the hon. Member for Somerton and Frome (Mr. Heath), I believe that defence policy is crucial to our understanding what the Government are doing with their equipment policy.

The strategic defence review, which was published in July 1998, was already beginning to look a little frayed at the edges even before the current conflict against Serbia began. The strategic baseline has been challenged by events and by evolving Government spin. I remind the House that in paragraph 15 the SDR stated that it was to consider

"our defence requirements in the period to 2015."

That is futurology indeed.

I remind the House also of the scale of effort that was laid down in the SDR. Basically, the armed forces of the United Kingdom could cope with one Gulf-style commitment or Bosnia commitment plus a second substantial deployment, but could not expect both deployments to involve war fighting or maintain them simultaneously for longer than six months. A resource constraint—money, manpower and equipment—on the number of operations in which we might get involved was therefore acknowledged in the SDR last July.

I suspect that that consideration is at the back of Ministers' minds when considering whether to deploy ground forces.

Mr. Ian Bruce (South Dorset): My hon. Friend is touching on funding in the context of the strategic defence review. He will be aware of the disposals that the Ministry of Defence intends to undertake. He will know also that £700 million has been found in defence disposals to pay for the equipment that the Ministry wants to buy. Has he noted places such as the air station at Portland, where disposal is moving at a snail's pace? I suspect that that establishment will not provide any funding for the MOD, and that that will be the position throughout the country.

Mr. Simpson: My hon. Friend makes a good point. The Ministry of Defence is getting increasingly desperate about disposing of lands and properties, many of which are difficult to dispose of on the open market.

I remind the House that, in a written answer to me on 4 March, the Ministry of Defence said that 85.9 per cent. of the Army's Land Command had been committed to deployment on operations, or warned that it should be so deployed. A written answer to me, on 22 April says that that figure has gone up to 89.8 per cent. Our land forces have already made an enormous commitment to overseas operations—not only in manpower, but in equipment. It would be helpful if the Minister would assure the House that the armed forces and their equipment, established by the SDR on those scales, are sufficient to meet not only current commitments, but future commitments that might arise as a consequence of committing ground forces in Kosovo.

The SDR also emphasised that

"membership of NATO will continue to provide the UK with its best insurance against all these risks."

Most of us would agree fundamentally with that, but I remind the House that, even as the SDR was being debated on 20 October 1998, the Prime Minister was contradicting Defence Ministers by emphasising a European common foreign and security policy, which they were at pains to deny that night.

The Government emphasis on Franco-British defence co-operation in the St. Malo agreement of December 1998 and the statement arising from this weekend's NATO summit envisaging the European Union taking on a greater defence role stretch our defence policy at the margins, but the real question is, "What is the British defence industry's view on such co-operation?" I talk to people in the defence industry—they are ambivalent about our furthering relationships with European defence industries, and I do not blame them. They are primarily concerned not with political considerations, but with economic ones.

The December decision by British Aerospace and Marconi to go ahead with a merger achieves vertical rather than horizontal integration, despite what many people consider to be the Prime Minister's pressure for the latter. Perhaps the Minister can confirm whether the United Kingdom or EU Governments have any objections to the merger's going ahead.

The Government are sending mixed signals to the UK defence industry. Is the integration of European defence industries still a key Government policy and is it still Government policy that international collaboration should be the basis for 40 per cent. of all future defence programmes? One obvious indicator was to have been whether contracts were placed for project Horizon.

Many hon. Members—including, I suspect, some on the Government Benches—were surprised and disappointed by the Minister's opening statement, and it seems that we have the worst of all possible worlds: we will have the PAAMS missile system, but we may not get the hulls of the frigates on board which it is to be fitted. That is an odd decision, to say the least, and it does not sit well with Government policy on the European defence initiative. *[Interruption.]* The Minister dismisses that, but he should talk to people in the Royal Navy, not just to people in the defence industry. So far, there has been a stunning silence from the Royal Navy on whether it is fully behind the decision and believes that it will meet the Royal Navy's commitments in the future.

Mr. Wilkinson: Is not the situation even worse inasmuch as the French, not ourselves, lead on the missile system? The programme is led by Aerospatiale, so we are playing second fiddle in what should be an area of particular excellence for us. As my hon. Friend says, we do not yet know what vessel—a type 23 perhaps—will carry the missiles.

Mr. Simpson: My hon. Friend makes a good point; the Under Secretary skated over it, but perhaps the Minister for the Armed Forces will give us some details.

It would be helpful—a number of hon. Members touched on this—if the Government published a balance sheet—not only of the value of two-way street defence contracts with the United States of America, but of defence contracts, either way, with our European partners. In that way, the House could assess the true value of defence co-operation, both across the Atlantic and with Europe.

Finally, we must consider the impact of the Prime Minister's Chicago speech this weekend—the so-called "Blair doctrine"—outlining rules governing justified international intervention in humanitarian crises. Apart from whether our allies have agreed to that doctrine, the fact that Parliament has not even debated it—indeed, we have not fully debated the Government's foreign policy since they came to office in May 1997—and its impact on our resources, I want to consider one obvious procurement consequence. Such international interventionism in the internal affairs of sovereign states will persuade many countries to acquire weapons of mass destruction, particularly ballistic missiles.

Anti-missile defence was a notable omission from the SDR, as hon. Members have pointed out. Given the United States' decision to increase funding for missile defence and the likely consequences of the Blair doctrine, are Ministers in a position to tell us whether they will now consider anti-missile defence for the United Kingdom?

Mr. Spellar: What would the hon. Gentleman cut in the programme to pay for his proposal?

Mr. Simpson: I am amazed to see the Minister playing that rather fatuous game. Although I may wish that I were the Minister, he is the Minister. There is nothing in the strategic defence review. He is in a position to tell us whether he regards it as a priority. He does not appear to be taking the question seriously. Perhaps the Prime Minister did not consult him before making the Chicago speech. They talk about joined-up government, but one part of the Government does not refer to another.

Mr. Spellar *rose*—

Mr. Simpson: I am sorry, but the Minister obviously does not have an answer.

Having discussed cuts, let us consider resources. I thank the junior Minister for leading me into this subject. As we said before and during the publication of the SDR, the level of defence spending is crucial to the Government's defence policy. In July last year, it was obvious that £1 billion had been taken out of the defence budget. As my hon. Friends have pointed out, the Chief of the Defence Staff has said that meeting the efficiency savings required would be "challenging". I suggest that, for "challenging", we should read "virtually impossible to achieve".

Like other hon. Members, I welcome the undertaking that the MOD's chief finance officer made before the Select Committee, which has now been confirmed by the Minister for the Armed Forces, that the MOD will publish regularly details of efficiency savings related to budgets so that the House can see whether they really are savings, rather than cuts. It is extremely difficult for the House, the defence industry or even MOD insiders to gain an accurate assessment of the constraints on the MOD budget or the long-term costing.

Given the real-terms cut in the defence budget, as outlined in the SDR, serious doubts have been expressed on both sides of the House about the MOD's ability to achieve 3 per cent. efficiency savings. Given the impact of the current military operations, the defence industry is rightly concerned about the equipment programme outlined in the SDR. As my hon. Friend the Member for Romsey (Mr. Colvin) said, the percentage increase in terms of defence procurement has been as much to do with inflation as anything else.

Can the Minister confirm whether any of the service equipment budgets are already overspent? Rumours have been going around the MOD that they are. If so, I am afraid that the weapons equipment budget will just not succeed.

Finally, may I touch on a point raised by my hon. Friend the Member for Salisbury (Mr. Key) and the hon. Member for Somerton and Frome concerning the cost of the operation in Kosovo? We should not be accountants or bean counters in terms of looking at the moneys to be saved when British armed forces are putting themselves in the line of fire. I have great sympathy for Defence Ministers in trying to square a budget and negotiate with

[Mr. Simpson]

the Treasury. I received a reply just now from the Chief Secretary to a question that I asked the Chancellor of the Exchequer. I asked:

"what representations he has received from the Secretary of State for Defence in respect of an increase in the defence budget."

The Chief Secretary replied:

"My right hon. Friend, the Secretary of State for Defence, and I are keeping the additional costs of the Kosovo operation under close scrutiny."

That is fair enough up to a point, Lord Copper, but the armed forces and, to be fair, Defence Ministers would like a proper answer from the Treasury.

As the Minister explained, smart procurement is the key enabler by which the strategic defence review intends equipment to be delivered on time and in budget. The Government announced smart procurement as if it were some philosopher's stone of defence policy. Will the Minister tell the House who within the Ministry of Defence is the customer envisaged by smart procurement? What is his appointment in particular?

Smart procurement, integrated project teams and battlefield contractor support mean that the defence industry is moving from being just a supplier to an active participant and stakeholder in defence policy. What will that do for competition policy, and who is ultimately responsible for its delivery?

Smart procurement, as Ministers have explained, needs high-class, high-quality personnel. Many of those people can be found inside the MOD, but others will be recruited, chiefly in competition with the defence industry. What action are Ministers taking to assess the necessary increase in pay structure of personnel involved in smart procurement?

The Government have over-hyped smart procurement. Efficient defence procurement has been a Government priority since my right hon. Friend the Member for Henley (Mr. Heseltine) was Secretary of State. Some of my more distinguished and older colleagues will remember the Labour party's fierce opposition when that policy was introduced. Few Labour Members, if any, spoke up in favour of it.

Ultimately, smart procurement will depend on overall Government policy, on the defence budget and on a changing MOD culture, which the Minister acknowledged. The Secretary of State is relying on the character and determination of the newly appointed chief of defence logistics, General Sam Cowan, to change the culture not only in the new Defence Logistics Organisation, but across the board in the Ministry of Defence.

I do not think that any of us are able or would wish to question either the patriotism or the determination of Ministers to deliver the equipment that they have planned. However, we suspect that the strategic defence review avoided difficult decisions on commitments and capabilities and was underfunded. It was certainly oversold in hype—good heavens, one would think that they were Richard Burdon Haldane. We want to consider the short and long-term issues involved in delivering equipment.

The war in the Balkans is testing current generations—or more accurately previous generations—of equipment. The previous and the present Government have rightly emphasised the need for equipment to be integrated, joint and multinational. Indeed, the criticism of the air campaign against Serbia made by the hon. Member for Linlithgow (Mr. Dalyell) has less to do with the equipment of the Royal Air Force and the skill of its pilots and more to do with the political constraints and a failure to recognise that it is rare for one service to be able to deliver the political objective on its own. The full thrust of the strategic defence review was about joint operations and joint procurement policy. If we have a single service policy, it is hardly surprising that it fails to deliver the political objective. I am sure that Ministers are aware of that.

I shall ask three brief questions on current operations in Kosovo. First, will Ministers reconsider the strategic defence review assumptions about security of supply as it relates to war maintenance reserves and stocks? My right hon. Friend the Member for Bridgwater (Mr. King) and my hon. Friend the Member for Aldershot (Mr. Howarth) raised that issue.

Secondly, given that the Army's expeditionary force logistical capability depends on savings made by cutting the Territorial Army, are Ministers confident that the logistical supply chain for the British element of the Allied Command Europe Rapid Reaction Corps is robust enough for any future ground operations? Thirdly, given the continuing role of the Royal Engineers—of whom I know Ministers think highly—are Ministers satisfied that the balance of equipment is sufficient for them to meet their operational role?

There are many unresolved questions regarding defence equipment. We have made our criticisms; I hope that Ministers will be able to answer to our questions, and prove to our armed forces that they take those questions seriously.

9.40 pm

The Minister for the Armed Forces (Mr. Doug Henderson): We have had what could be described as a thin attendance in the House. The upside is that hon. Members on both sides of the House have had much more time to make detailed speeches. I suppose that, for the Minister responding, the downside is that so many questions have been asked that I shall probably fail to answer them all tonight, but I shall endeavour to answer as many as possible, and commit myself to writing to those whose questions I shall not be able to answer.

I endorse what has been said by all hon. Members: we praise the skill, dedication and courage of our armed forces who are currently deployed in the Balkans. People—our soldiers, sailors and airmen and women, and the civilians who support them—are the most valuable resource that the Ministry of Defence has. I do not think that anyone in the Chamber would disagree with that.

Before I say anything else, let me make an announcement. This evening I awarded a contract to help the welfare of those serving in Macedonia, which will enable British service men and women deployed there to stay in touch with their loved ones at home. The contract will allow all 4,500 of our personnel in Macedonia to make one free 10-minute satellite call per week from one of the nine sites there, and will come into effect

immediately. I have been keen to do something about that, and I am pleased to be able to make that announcement now.

Mr. Wilkinson: Will the Minister give way?

Mr. Henderson: I promise to give way after I have made a little more progress.

The job that British service men and women are doing in the Balkans throws a spotlight on them, and on the impressive professional qualities that they bring to the difficult and dangerous job that they are there to do. They are making a major contribution to NATO operations in the former Yugoslavia, providing forces at sea, on the ground and in the air. The current operation, however, also throws a spotlight on us. We must ensure that the skill and dedication of our forces are matched by the quality of the equipment that we give them with which to do their job. That equipment must be capable, to give us a technological edge over our opponents; it must be robust, to stand up to the extraordinary rigours of combat operations; and it must be flexible, to provide for the variety of demands that we ask our forces to meet. We must remember that they are involved in three different types of operation in the Balkans: conducting air operations from bases in Italy and from on board HMS Invincible, preparing in Macedonia for the difficult and dangerous task of peacekeeping in Kosovo, and providing compassionate and caring support for thousands of refugees in Albania.

Mr. Wilkinson: I am grateful for the Minister's statement about the telephone calls, which I am sure will be widely appreciated. Even more appreciated, however—especially by service men deployed to the Balkans from Germany—would be an upward adjustment of their overseas living allowance, which is budgeted for. Those service men were not to know that they would be sent to the Balkans, and their families could be in some difficulty. Will the Minister ensure that equity prevails in that regard as well?

Mr. Henderson: I assure the hon. Gentleman that I want to make certain that our troops are looked after properly, and that their conditions are comparable with any others in the Balkans—as they are. Much has been made of the overseas living allowance. That is related to the cost of living, not to the job that our troops are doing in any part of the world. There has been no change in that.

The fact is that 12 per cent. of service men and women's salary is intended to be used to deal with the unusual conditions in which they have to serve. The cost of living allowance is a quite separate matter. It is based on the cost of living in a country in which people are deployed and determined by comparing that cost with costs in the United Kingdom. If people are coming from the United Kingdom and our costs are lower, an adjustment will be made.

The hon. Member for Salisbury (Mr. Key) made some points on defence budgets. I should like to reassure him that the defence budget based on the strategic defence review will be shown to be a good deal when compared with any other deal struck between any other Defence Ministry and Government in the world. Admittedly, over a three-year period, the Budget sets a 1 per cent. reduction in real terms, but that is tied to a commitment that—when efficiency gains of 3 per cent. are made annually—any extra resources that are freed will be made available for investment in the priorities set by the Ministry of Defence and will not be taken back by the Treasury.

When we make the gains that we anticipate that we shall make—I am confident that we shall make such gains—additional real resources will be available to meet the demands placed on us in a changing world. That is the background against which any charges on Kosovo must be assessed.

There are standard procedures for dealing with additional costs accruing to the Ministry of Defence when forces are deployed, and the current procedures and regulations under the current Government are no different from those under the previous one. Procedures will have to be assessed in each Department incurring additional costs, and subsequent negotiations with the Treasury will determine how the costs will be met. In some cases, some of the costs will have to be dealt with under departmental budgets—including that of the Ministry of Defence—whereas, in other cases, there will be a charge on the reserve fund. The formula, which I believe is a reasonable one, has not changed.

Mr. Blunt: On international comparisons, the United States's defence budget is rising by 10 per cent., and the President has asked for the equivalent of an extra £6 billion for Kosovo. Therefore, the deal in the United Kingdom is not the best that could be struck anywhere in the world. The Minister said that the efficiency savings programme is not necessary to sustain the programme decided by the strategic defence review, and that those efficiency savings will be translated into extra investment in our defence programme. That is a significant comment. I do not believe that that is the case. I should therefore be grateful if the hon. Gentleman made absolutely clear the position on the £2 billion-worth of efficiency savings targets to be achieved, and if he will reconfirm now that all the efficiency savings—down to the smallest ones—will be listed and given to the House and the Defence Committee.

Mr. Henderson: I do not think that the hon. Gentleman was listening to what I said. I said that we anticipate that, annually, for three years, there will be 3 per cent. efficiency savings; that those have been taken into account in the budget agreed between the Ministry of Defence and the Treasury; and that gains above 3 per cent. will accrue to the Ministry of Defence. That is what I said. If there was any doubt about it, I have repeated it.

The hon. Member for Salisbury made much in his speech about the United States, as if, compared with other countries, it has dramatically increased the resources for defence. However, in the past four years—comprising two years under the previous Government, and two years under the current Government—the United States has not made such increases. In those four years, Britain has reduced spending by about 8.5 per cent., which has been the average reduction made by our European and NATO allies. In the same period, the United States has made a

[Mr. Henderson]

17 per cent. reduction. Therefore, from 1994, the United States has been rebuilding from a much lower base—which makes a big difference in the calculations.

Mr. Ian Bruce *rose—*

Mr. Menzies Campbell: Will the Minister give way?

Mr. Henderson: I said that only to put the situation in context. I am not saying whether the United States' actions were right or wrong. However, one has to bear in mind the context.

Several hon. Members *rose—*

Mr. Henderson: I shall not take any more interventions on the matter. I want to move on, as many questions have been asked.

We were asked whether our current commitments were consistent with the assumptions in the strategic defence review. The answer is that they are. We are committed to the proposals in the strategic defence review and we are implementing them. In some respects, their implementation is absolutely consistent with what is happening in Kosovo. The principles that we enunciated in that document anticipated the situation that unfortunately has arisen in Kosovo. There are no closed minds and there never should be, but we are firmly committed to that review. The total numbers deployed in Bosnia and in Kosovo and those that may be deployed in a peacekeeping force are absolutely consistent with what was envisaged in the strategic defence review. In fact, they are fewer than we estimated.

I hope that Conservative Members who doubt the wisdom of the agreement between the Ministry of Defence and the Treasury in respect of efficiency are not suggesting that we should not strive for efficiency and look for better and more modern approaches to defence. If they are, we want to know about it.

Mr. Campbell: There is an important point about the relationship between the money provided for defence and the Government's commitments. I hope that we can avoid being partisan about the issue. A senior budget holder told me that a large part of his budget was already allocated through contract as a result of the privatisation of so much of what previously had been provided in-house. Therefore, he must find 3 per cent. efficiency savings on his overall budget out of about 40 per cent. of that budget. How is that individual supposed to fulfil the Government's commitments against the background of having to find 3 per cent. efficiency savings every year?

Mr. Henderson: I am pleased that the right hon. and learned Gentleman said that we should try to deal with such matters in a non-partisan way. I know that he endeavours to do just that and to consider the interests of the nation. I attempt to do the same, but sometimes I am denied the opportunity because of the way in which issues are raised.

On efficiency, I am absolutely confident that with a tough, systematic approach, we shall be able to achieve the goals that we have set ourselves. In some areas it will be possible to make much greater gains than 3 per cent., but in others it will be extremely difficult to make any gains at all. However, I am confident that we will be able to make the overall efficiency gains to which we are committed.

Mr. Bruce: Will the Minister give way?

Mr. Henderson: I really have to press on, although I may take interventions on other issues.

The hon. Member for Salisbury also mentioned the Western European Union. Let me make it clear that the concordat that was concluded in Washington related to capability, not institutions, within Europe. A number of signatories to NATO said that we must look at how things are done in Europe and at how to achieve the capability that we need. The decision did not relate to the institutions. The hon. Gentleman said that it was a failure that a decision had not been reached as to how the WEU would relate to NATO, the North Atlantic Council and the European Union. In my opinion that was not a failure but a strength. We must get the political principle and the military resource assessment right before deciding how the bureaucratic structures should relate to each other. I think that we got our priorities right. At a meeting that I attended in Washington about six weeks ago, there were still differences in NATO about emphasis, but this weekend there was unanimity and that is a major step forward.

My hon. Friend the Member for Dunfermline, West (Ms Squire) and the hon. Members for Romsey (Mr. Colvin) and for Aldershot (Mr. Howarth) mentioned the Defence Evaluation and Research Agency. There was some expectation that an announcement would be made about it, but there is still work to be done.

Mr. Bruce: Will the Minister give way on that point?

Mr. Henderson: No. There is no point in the hon. Gentleman pressing me. There is work to be done, and the House will be first to know of any decisions taken when it is complete.

I want to move on to questions raised by hon. Members who have attended the whole debate. My hon. Friend the Member for Alyn and Deeside (Mr. Jones) was as indomitable, brief and comprehensive as ever. He raised three important points relating to his constituency, but I believe that they are of major significance for the nation's defence. I shall try to pick up some of the other points raised as I deal with my hon. Friend's questions.

My hon. Friend the Member for Alyn and Deeside asked about RAF Sealand, and we all value the work that that important unit performs on behalf of the nation. My hon. Friend also asked about the ASTOR ground surveillance system, in which there is a great deal of interest. That system featured in points raised by the hon. Member for Fermanagh and South Tyrone (Mr. Maginnis), by my hon. Friend the Member for Dunfermline, West, and by several other hon. Members.

I can tell the House that the facility in the constituency of my hon. Friend the Member for Alyn and Deeside is renowned as a centre for excellence. No decision has yet been made, but it is a great tribute to our defence industries that there is a choice in the matter, as the relevant capabilities exist in different parts of the country and therefore are able to bring different excellences to the decision.

The third point raised by my hon. Friend the Member for Alyn and Deeside concerned large carrier aircraft. The matter was raised also by my hon. Friends the Members for Leyton and Wanstead (Mr. Cohen) and for Chorley (Mr. Hoyle), and by the hon. Member for Ruislip-Northwood (Mr. Wilkinson). The point brings to the House's attention the essential role that air lift plays in the modern deployment of our armed forces. Anyone who did not believe that that was important six weeks ago certainly now knows that it is a crucial factor, as air lift capability has been required in a number of different ways.

We need to renew our present fleet of large carriers to maintain our air lift capability. We will therefore need four C17s, or their equivalents, in the period ahead. Bids are being considered, and I hope that the decision will be made by 2000. However, other, more long-term decisions will have to be made in relation to large aircraft. They will have to be made in the context of the needs in the Ministry and of the ability of British industry to meet those needs, and the requirements of a wider export market in the future. That big and crucial decision will have to be faced in due course.

My hon. Friend the Member for Dunfermline, West has a long record of participation in these important debates, whether we are debating matters on a single-service basis or in the more modern framework. She drew to the House's attention the importance of Rosyth dockyard, and the crucial work that it is doing as part of the allocated programme. I thank her for her kind words in that regard. It is absolutely important, for the needs of Scotland and of Britain, that the Rosyth yard should be able to carry out that crucial defence work.

My hon. Friend the Member for Dunfermline, West also asked whether Kosovo would lead to a delay in procurement. The answer is no: we are determined to modernise as we have proposed in the strategic defence review, and we shall press on with that, our additional commitments at the moment notwithstanding.

The hon. Member for Somerton and Frome (Mr. Heath) asked about ordnance stocks. I am running out of time, so I shall write to him in more detail, but I can tell him that we must make sure that we have the necessary stocks. The hon. Member for Romsey asked about the future security of supply, and I can say that we must also make sure that the supply is secure. We must be sure that we can always supply what we need, whether it be a replacement for ammunition stock or a major item of equipment.

The hon. Member for Somerton and Frome also asked about the air-to-air missile, which I agree is crucial for the Eurofighter. My hon. Friend the Member for Chorley was also interested in that matter, on which, as they may know, a decision will be reached later in the year.

My hon. Friend the Member for Linlithgow (Mr. Dalyell) once again referred to Russian shipping. In the short time available, I can give only the same reply that the Prime Minister gave earlier, but should be happy to discuss the matter with my hon. Friend.

It being Ten o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Assisted Area Status (Wisbech)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Allen.]*

10 pm

Mr. Malcolm Moss (North-East Cambridgeshire): I am grateful for this opportunity to put to the Minister for Small Firms, Trade and Industry an important case on behalf of my constituents and those of the hon. Member for North-West Norfolk (Dr. Turner). This is my sixth time of asking for the debate, and I am glad finally to have come up trumps in the ballot. I thank the Minister and his team for their co-operation, particularly in answering letters and in meeting a deputation from my local authority, Fenland district council.

I do not want to belittle the difficulties that the Minister and his team face. There have been parallel submissions from many other local authorities for objective 2 status under the structural fund budget. Those bids are not coterminous with bids for assisted area status, but the core criteria are, in many cases, coupled. The shared criteria include having 100 people per square kilometre, having a percentage share of agricultural employment equal to or higher than twice the European Union average in any year since 1985, and having an average unemployment rate over the past three years above the EU average.

When those stringent criteria are taken together, the present is not the most auspicious time at which to plead for my area. The major issue facing the fens is the fight against the perception that East Anglia is uniformly prosperous—a perception reinforced by the allocation of regional budgets. The east of England, containing a population of 5.3 million, will receive £28.8 million, but the south-east of England, where the population is 7.8 million, will receive £60 million. On a pro rata basis, the money for the south-east would be £45 million.

In August 1993, the Government designated the Wisbech travel-to-work area as an assisted area with intermediate status. The reasons were higher than average unemployment, measurable deprivation, staple industries that were mainly in declining sectors, and problems of isolation and peripherality. The same factors applied to the successful application by local authorities in North-East Cambridgeshire and North-West Norfolk for European objective 5b structural funds. We were also successful, under the same deprivation criteria, in applying for rural development area status.

I am not talking only of the Wisbech travel-to-work area, of course, because the submission made to the Minister by Fenland district council offered a twin-track approach. It included the idea of moving from wards upwards, aggregating areas across county boundaries and involving a large area in the constituency of my neighbour, the hon. Member for North-West Norfolk.

Having got assisted area status, what is the track record of my local district councils? We would say that we have been the most successful area in the eastern region. We have had about 60 offers of regional selective assistance, totalling almost £5 million, compared with just over £2 million in the Great Yarmouth assisted area, £750,000 in Harwich and £1.3 million in Tendring. So, the fenlands area has been by far the most successful in attracting Government grant and, as a result, in levering in

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substantial amounts of private sector investment. About £25 million of such investment has come in under that leverage.

The investment has safeguarded 1,015 jobs in the Wisbech travel-to-work area and has created 922 new jobs. It has also been successful in lowering unemployment, which stood at 11.5 per cent. in 1992 and was below 4 per cent. earlier this year.

Those figures do not take into account recent job losses in the area. A few months ago, Hazelwood Foods announced the loss of 420 jobs at one factory alone. Within several weeks of that announcement, Carnaud Metal Box announced 90 job losses at its plant, which makes cans for the canning industry. The company has since changed the figure to 75 job losses. None the less, that is a significant number for the travel-to-work area, given its size and population. With the losses in smaller firms, we will be facing more than 500 job losses in the next few months.

What are the employment prospects for that area of Cambridgeshire—a prosperous county, within a seemingly prosperous East Anglia? How is that pocket of deprivation likely to get out of the trough? A jobs deficit of about 9,800 is predicted by 2006, yet 6,300 jobs will be required merely to bring male and female activity rates up to the Great Britain average. On top of that, 3,500 will be needed to provide employment for the projected 7,300 growth in population by that year.

The area has a problem of structural decline. The Henley industrial structure index predicts that it will be one of the worst local authority areas for employment in Britain. The index ranks the fenlands 433rd out of a total of 459, so it is at the bottom end of that structural index.

Of course, it is an agricultural area, and we have uncertainty over reform of the common agricultural policy. Last year alone, we saw a 45 per cent. reduction in farm incomes and the National Farmers Union predicts a 50 per cent. reduction in farm holdings in the next five years. Therefore, it is unlikely that the base industry of agriculture will be able to take up any slack in unemployment in the next few years.

The capacity to create new jobs or to travel to such jobs in other parts of East Anglia is constrained by a number of factors. First, there is a concentration of businesses in declining sectors that risk rundown or closure. Some 60 per cent. of industries are in mature or declining sectors, and only 40 per cent. in growth sectors. Secondly, there are poor prospects for investment, particularly with the non-viability of commercial property. My constituency cannot attract speculative industrial build, certainly in the north, because when the factory or building is constructed, its value on the open market is three quarters of what was paid to put it up. There is, therefore, a problem in sale and lease-back arrangements, for example, and only with the intervention of the local authority or English Estates can the gap be made up so that we can have a viable commercial industrial sector.

There are constraints on water supply and disposal. We are talking about the fens of East Anglia and parts of my constituency that are below sea level. Getting the water off the land is a problem, but so is getting the water that industry uses into the rivers and out to sea. Unfortunately, while considerably more investment is going into water treatment and sewage systems—Anglian Water has a substantial investment programme—our relatively sparsely populated area is towards the back end of development. To my knowledge, we have lost the investment of two major European food processing firms who wanted to come to Fenland, but did not because Anglian Water could not cope with their water requirements.

The third factor is the uncompetitiveness of the work force, which is manifested by low educational attainment, skills in declining sectors, low pay and low entrepreneurial capacity. Educationally, 69 per cent. of 16-year-olds obtain fewer than five GCSEs or national vocational qualifications at grades A to C, against the national average of 55 per cent. On training, 23 per cent. of the work force do not have a nationally recognised qualification and only 19 per cent. have NVQ1.

Low pay means average earnings of £321 against a Great Britain average of £354. Those figures relate to pre-minimum wage days, so I do not know the current figures. They reflect low added value and a low skill profile. On entrepreneurial capacity, between 1993 and 1996, VAT registrations fell by 13 per cent. That shows a decline in the business start-ups that we hoped would grow into companies that could take up the slack of unemployment.

Fourthly, we have a poor strategic transport infrastructure. We are outside the key north-south routes and have poor east-west routes. I single out the A47 trunk road, which comes across from the midlands, goes round Peterborough and then disintegrates into a very poor road through Wisbech. There is now some dual carriageway between Wisbech and King's Lynn, but there are problems further east towards Norwich. We do not have a decent east-west route to take our business and products quickly to the main north-south line of communication, the A1.

We suffer from peripherality. The area's lack of communication links is highlighted by a Henley hub index of 0 and a contiguity index of 0.8. Those are technical points, but I am sure that the Minister understands what they mean.

Dr. George Turner (North-West Norfolk): The hon. Gentleman will know, although the House may not, that the western part of my constituency is similar to the description that he gives of his area. Does he agree that, although there has been some success in acquiring support, our communities are extremely precarious at present? He has realistically described the threats faced by those communities. Does he agree that this would be almost the worst possible time to remove the support that they have enjoyed during recent years?

Mr. Moss: I am grateful for that intervention. The hon. Gentleman and I share the same problems in our communities. For six years, those communities have enjoyed and made good use of that support, which they will continue to receive until January 2000. The point of our submission to Ministers at the Department of Trade and Industry, of the meetings that we have held and even of the debate tonight is to impress on the Minister that to snatch that facility away from our community is the worst possible thing that could happen at this juncture.

I emphasise that we do not have any natural advantages to attract inward investment to the area. There has been no credible offer in the inward investment market and none of

the inward investments secured by the East of England investment agency in its first 18 months of operation have located in our fenland area. That underlines the point made by the hon. Member for North-West Norfolk.

There has been a good response from my local authorities. Redesignation of regional selective assistance will be the centrepiece of the fenland partnership that has been set up. That partnership of local authorities, local businesses, the local chamber of commerce and the training and enterprise council has a four-point regeneration strategy. It aims to retain and enhance the competitiveness of existing industry—most notably, the fenlands food cluster, which is marketing under the name of Foodfen.

Through Cambridgeshire county council and the local education authority, we intend to raise levels of educational attainment. We shall address the barriers to investment created by infrastructure constraints. One aspect of the partnership's work is to hold on-going discussions with Anglian Water, the Government office of the eastern region and the Rural Development Commission.

In conclusion, the fundamental question, and the problem facing my constituents and their local authorities, is how they can meet the new criteria that have been laid down by the European Union and which the Minister and his Department have to implement. That is not only a problem for my constituents, but for representatives from about 51 other areas in the UK who have beaten a path to the Minister's door during the past few months.

The problems of pockets of local deprivation and disadvantage are often masked by selecting large geographical units. I hope that the Department will not go down the road of designating according to NUTS3 criteria. The criteria that the Government choose should reflect localised areas of deprivation, and take into account the endemic problems of industrial development that mitigate against self-help and free-market solutions. Fenland district council has mounted a twin-track approach in its submission; either starting with the local authority, which is a NUTS4 unit, or at grass roots, building up from the individual wards to create a sensible area that cuts across county boundaries, but shares the problems referred to by the hon. Member for North-West Norfolk.

10.19 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Michael Wills): I congratulate the hon. Member for North-East Cambridgeshire (Mr. Moss) on securing the debate on assisted area status for Wisbech. I know that that is important to him and to his constituents. Indeed, the review is also important to many other areas of the country. The hon. Gentleman has eloquently put the case for his area—as, indeed, did my hon. Friend the Member for North-West Norfolk (Dr. Turner). I welcome the opportunity to reply to the points that have been made.

In recent years, Wisbech has been successful in attracting investment and, as the hon. Member for North-East Cambridgeshire described, assisted area status has played an important part in achieving that success. Since 1993, there have been 62 offers of regional selective assistance totalling more than £4.6 million, which has led to total investment of £29.6 million and the creation of 1,000 jobs; in addition, a further 1,000 jobs have been safeguarded. Fenland district council has put the case for continuing assisted area status under the current review, and the hon. Gentleman has written to Ministers and assiduously pressed that case on behalf of his area. It is true that the new assisted area map will be reduced from current levels, and there are some hard choices to be made when designating areas. We have yet to make final decisions, but I can assure the hon. Gentleman that his points about the claims of Wisbech will be, and are being, carefully considered in the review.

Let me set out where matters stand in respect of the review. Following new European Commission guidelines on regional aid, all member states must propose new assisted areas to operate from 1 January next year, so the Government announced on 30 July last year a review of the assisted areas in Great Britain. Because of its special problems, Northern Ireland retains special status under the guidelines and will be covered in its entirety. A great deal of work has been done since then: my officials have been working closely with their counterparts in other Departments, especially the Scottish Office, the Welsh Office and the Department of the Environment, Transport and the Regions; we have held a public consultation; and, since assuming ministerial responsibility for the matter in January, I have met about 50 Members of Parliament who wanted to discuss the case for their own areas.

The Government are now considering what proposals they will make for new assisted areas, and we shall put those to the Commission as soon as possible. We are carefully considering the needs of all areas, including Wisbech, but the task we have been set is not an easy one. The Commission's guidelines are part of its effort to reduce the overall level of state aids in Europe, and the UK, like the EU as a whole, faces a reduction in the population coverage of its map. The figure for the UK is about three quarters of current levels, so there are hard choices to be made and there will be some pain. However, we must bear in mind the wider picture: the UK is one of the lowest providers of state aids, so the removal of distortions to competition by lowering overall EU state aids will be beneficial to UK firms both inside and outside the assisted areas. The lower aid limits are expected to bear down especially heavily on other EU states, which should improve the UK's ability to attract inward investment.

We do not have an entirely free hand in drawing up our proposals. Areas measured at NUTS2 under the European system of units for regional statistics will automatically qualify for assisted area status if their gross domestic product per head is less than 75 per cent. of the EU average. However, in choosing other areas, the Commission guidelines require us to use up to five social or economic indicators and one common unit of geography for the country as a whole. There is also a penalty for proposing areas with a population of fewer than 100,000, as those will be counted as 100,000 against our population total, which would result in a further reduction in the coverage of the map.

In the review, we are trying to combine areas of need with opportunities for employment creation, investment and regeneration—in other words, we are targeting areas where regional industrial assistance is a sensible policy response to need. We are considering indicators for

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selection and designation of areas, and we have not made final decisions. However, in line with the outcome of the public consultation, we expect measures of labour market weakness—high unemployment or low employment rates—to be an important factor. Using a smaller, rather than a larger, geographical unit for the map will offer the most scope for targeting areas effectively within our overall population ceiling. Again, that is in line with the outcome of our consultation. It showed that there was most public support for the use of wards—which is the smallest unit—as the building block of the map. We are currently working on how we can achieve that effectively within the various rules set down by the Commission.

I shall conclude by saying a few words about the timetable from now on. The Commission asked originally for proposals to be submitted by 31 March. That was always going to be an ambitious date, and we are not alone in not having submitted them by the end of last month: we think about half of member states have not yet submitted their proposals to the Commission. We are working to complete the map as soon as possible. However, seeking the best outcome for Great Britain must be the key objective and we are not ready to submit our proposals. We do not want to rush this task. We could draw up a map easily and quickly that is based on five indicators and a unit of geography. However, the challenge is to draw up a map that is right for Britain and which provides coverage that most effectively meets our reduced population ceiling.

As to when we will be in a position to announce our proposals, we must work on them further. We must respect the purdah periods imposed before the local elections, the elections in Scotland and Wales and the European elections. As the hon. Gentleman said, in the early summer we shall develop our proposals for the European structural funds—the objective 2 areas—for the period from 1 January 2000. Public consultation is now under way. The Berlin Council decided—rightly in the Government's view—that there will not be an enforced link between the assisted areas and the structural funds maps. Those instruments have different purposes and are aimed at different goals. They do not need to be identical, but they should clearly make sense when they are put together. Announcements about our proposals for the structural funds map and for the assisted areas will be taken together to provide an effective strategy for tackling need through regional development.

As a result of various factors, we do not think any announcement is likely before mid-June. However, I assure the House that we will continue to move as quickly as we can towards finalising our proposals. In the meantime, I hope that my remarks this evening will provide comfort to the hon. Gentleman, my hon. Friend the Member for North-West Norfolk and to their constituents. We want very much to achieve the best result for this country, and I believe that we are moving in the right direction.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes past Ten o'clock.

House of Commons

Tuesday 27 April 1999

The House met at half-past Two o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

PRIVATE BUSINESS

HFC BANK BILL

Read the Third time, and passed.

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Diabetes Screening

1. **Mr. David Stewart** (Inverness, East, Nairn and Lochaber): When he expects to receive advice from the United Kingdom screening committee on targeted diabetes screening. [80989]

The Parliamentary Under-Secretary of State for Scotland (Mr. Sam Galbraith): At the last meeting, on 17 March, the national screening committee agreed that a major focus of its work for the coming year would be to consider the case for a co-ordinated approach to screening for cardiovascular disorders, diabetes and the complications of diabetes. I hope that the committee will be able to make recommendations to Ministers by the end of this year. From 1 July 1999, this will be a matter for the Scottish Parliament.

Mr. Stewart: I thank my hon. Friend for his helpful reply. He will be aware that diabetes is the main reason for blindness in under-65s. It contributes to half the lower-limb amputations in Scotland and consumes more than £2 billion of national health service resources in the UK as a whole. Does he share the view of the British Diabetic Association and its American counterpart, which have argued for a focused screening approach to diabetes to protect the high-risk groups such as the over-40s, the overweight and those with a family history of the disease? Does he share my view that early action and intervention is vital to fight what has been described as Scotland's silent killer?

Mr. Galbraith: First, I acknowledge once again my hon. Friend's interest in this matter and the tremendous contribution that he has made to the debate, to the benefit of all those involved. I do not want to prejudge the screening committee's conclusions, but it is important to tackle the serious complications of this disease. That can be done, in many cases, by making the diagnosis early.

As my hon. Friend knows, we are committed to the St. Vincent declaration to cut by a third end-stage renal failure due to diabetes, and diabetic retinopathy and blindness due to it, and to cut by half limb amputations due to peripheral vascular disease. That is a good package and he is to be congratulated on being partly responsible for pushing the issue for so long.

Scottish Parliament (Steering Group)

3. **Mr. John Maxton** (Glasgow, Cathcart): If he will make a statement on the work of the consultative steering group on procedures for a Scottish Parliament. [80991]

The Minister for Home Affairs and Devolution, Scottish Office (Mr. Henry McLeish): The consultative steering group on the Scottish Parliament held its final meeting on 12 March. I have written to the Secretary of State outlining the group's further recommendations on the matters considered, including recommendations on the code of conduct for Members of the Scottish Parliament and the relationship between the Parliament and the media.

Mr. Maxton: First, I wish to take this opportunity to congratulate my right hon. Friend the Secretary of State, as this is his last Scottish questions, on the sterling work he has done over the past few years. In particular, I congratulate him on the establishment of a Scottish Parliament and on the victory that he and the Labour party will win on 6 May.

I congratulate my hon. Friend the Minister on the work done by the consultative steering group in looking forward to a new, democratic, open Parliament for the 21st century, rather than looking back, as some people do, to some mythical Parliament of 1707. Does he agree that the innovative use of new technology that has been proposed for the Parliament, including electronic voting, should set an example that this place would do well to follow? Does he agree that if it is possible to introduce electronic voting in such an old building, which will be used only temporarily, it should be possible to do so in this place as well?

Mr. McLeish: I agree with everything my hon. Friend has said. The Scottish Parliament will be fit for the information age and it will have new technology. In the longer term, it may influence other institutions in the United Kingdom. On 1 May 1997, the United Kingdom voted for a Parliament. On 11 September, we in Scotland voted for a Parliament. On 6 May, the Labour Government will deliver a Scottish Parliament to the Scottish people.

Mr. John Swinney (North Tayside): What implications do today's revelations that secret deals have been struck in London to carve up the Scottish Parliament have for the cross-party consensus that has underpinned the work of the consultative steering group? Is not that further evidence that Scotland's Parliament under new Labour will be Scotland's Parliament taking London's orders? Scotland needs a Parliament run by Scotland's party, delivering for the people of Scotland.

Mr. McLeish: That pathetic contribution reflects the fact that the hon. Gentleman's party is not doing well in

the current election campaign in Scotland. We had an all-party consensus on the work of the consultative steering group, which should be welcomed on both sides of the House, but suggesting that one party is Scotland's party shows contempt for the Scottish people. Scotland will decide on 6 May which party it wants to deliver the Parliament, and I am in no doubt that the Labour party will be chosen in those elections.

Mr. Oliver Letwin (West Dorset): Perhaps I should begin by apologising for not congratulating the Secretary of State on anything much at all. Has the Minister explained to the consultative steering group why there is no provision for recounts at regional level in the Scottish elections? *[Interruption.]*

Mr. McLeish: My hon. Friends, from a sedentary position, suggest that we might not need them. This has been explained to the Conservatives, who say that we did not address the issues when they were raised. The reason is sensible and straightforward: one simply cannot have the recount that they envisage for an additional member system. More to the point, the election will be fought hard by the Scottish people on 6 May. We have no doubt that they will take it seriously—and it is high time that, if the Conservatives in Scotland are taking it seriously, the Conservatives in this House did so as well.

Minimum Wage

4. **Mr. Peter Viggers** (Gosport): If he will make a statement about the impact of the minimum wage on the Scottish economy. [80992]

The Parliamentary Under-Secretary of State for Scotland (Mr. Calum Macdonald): It is estimated that the national minimum wage will benefit 2 million workers in Britain as a whole, and 157,000 in Scotland. The Low Pay Commission has statutory responsibility for monitoring and evaluating the introduction and impact of the minimum wage and is expected to report to the Government on it in December 1999.

Mr. Viggers: What is the Government's answer to the extra unemployment, estimated at 10,000, that will be caused in Scotland by the minimum wage? Will welfare to work use public money to subsidise people back into employment?

Mr. Macdonald: I do not recognise the hon. Gentleman's estimate. What I do know is that the claimant count in Scotland now is the lowest since 1976. That is an achievement by this Government which people in Scotland widely recognise. The national minimum wage is an important part of the Government's strategy to target poverty and to achieve a fairer society in Scotland, and we shall continue to develop and build on those policies.

Mr. Tom Clarke (Coatbridge and Chryston): Is my hon. Friend aware that the Scottish people are extremely proud that we have delivered the minimum wage, among many of our other promises? They are particularly pleased that the Labour party did it in the face of opposition from the Conservatives and with the Scottish National party tucked up in bed? Let us take, for example, the tourist industry, which was represented on the independent commission that made recommendations to the Government. Does my hon. Friend accept that, far from deploring a minimum wage, that industry welcomes it because it wants a well-trained, motivated and well-paid staff, consistent with the Scottish traditions of fairness, decency and a refusal to exploit those who seek to serve us?

Mr. Macdonald: My right hon. Friend is absolutely right. The national minimum wage was a landmark achievement by the Government in their bid to create a fairer society in Scotland. It was achieved against the opposition of the Conservatives and it is regrettable that the SNP did not even bother to turn out to vote for the national minimum wage, which has delivered benefits to people on low incomes in Scotland.

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale): While agreeing with the Minister that the minimum wage is an important development for Scotland, does he accept that the 14,000 job losses in Scotland since the general election are a damning indictment of the Government's record, and that, with so much of Scotland's economy dependent on exports, an early commitment to a single currency is essential for the country?

Mr. Macdonald: I certainly do not want to minimise the impact of any job losses on the families or individuals concerned, but the hon. Gentleman and his party should recognise that there has been a net gain in jobs in Scotland since the last election. As I said, unemployment in Scotland is at its lowest rate since 1976. That is a significant achievement, and all credit for it is due to the efforts of, and economic policies followed by, this Government.

Dr. Gavin Strang (Edinburgh, East and Musselburgh): Does my hon. Friend agree that it is a disgrace that under the Tories so many Scots worked for poverty pay? Will he confirm that 157,000 Scottish employees will benefit from the statutory national minimum wage, which, complemented by the working families tax credit, the 10p income tax rate and a reduction in national insurance contributions, will help to ensure that work pays?

Mr. Macdonald: My right hon. Friend is absolutely right. The national minimum wage is only part of our strategy to tackle poverty. Taken together with, for example, the working families tax credit, which he mentioned, it means that the effective minimum wage for, say, a single earner with two children is not £3.60 but £7 an hour. That is an important contribution to tackling poverty among low-earning families.

Dr. Liam Fox (Woodspring): The Government's figures on the Scottish economy show unemployment rising by 1,200 last month and 16,000 fewer jobs in Scotland than there were a year ago. Why does the rise in unemployment in Scotland account for half the rise in the United Kingdom as a whole? Why is the Scottish economy performing so badly compared with the rest of the United Kingdom? What measures will the Minister take to deal with the special problems that seem to be afflicting the Scottish economy under Labour management?

Mr. Macdonald: The claimant count for March was 5.6 per cent., which is exactly the same percentage rate

as for February. That is the lowest since 1976, which is a huge achievement by the Government. There have been particularly large reductions in youth and long-term unemployment. We are not complacent about those achievements, and we intend to build on them in the future.

Lockerbie

5. **Mr. Tam Dalyell** (Linlithgow): What representations the Crown Office has received from the Dutch legal authorities over the handling of circumstances surrounding the trial of the Lockerbie suspects. [80993]

The Minister for Home Affairs and Devolution, Scottish Office (Mr. Henry McLeish): Although no such representations have been received from the Dutch legal authorities, my noble Friend the Lord Advocate and I have been very pleased with the constructive co-operation of the Dutch legal authorities in ensuring the orderly and secure handover of the two Libyan accused to the Scottish authorities in the Netherlands.

Mr. Dalyell: Has the Lord Advocate followed accepted good prosecution practice by making provisional lists of Crown witnesses and productions available to the defence in advance of service of the indictment? If he has not already done so, does he intend to do so in the near future? If he does not so intend, what are his reasons?

Mr. McLeish: The Crown Office has already supplied to the defence a provisional list of witnesses, detailing a substantial number of the witnesses who may be cited to give evidence at the trial. In addition to that, a large number of copy documentary productions that may be adduced in evidence at the trial have also been offered to the defence. Further provisional lists of witnesses and copy productions will be made available to the defence in due course in the discharge of the prosecution's duty to provide such material. This matter is now sub judice.

Mr. Menzies Campbell (North-East Fife): Will the Minister give the House an estimate of what he understands to be the likely cost of the trial itself and the charge to the legal aid fund from public funds? The cost of the trial and the likely level of legal aid support will be substantially greater than normal. Are those sums to be met out of the usual Scottish Office vote or has a special arrangement been made with the Treasury?

Mr. McLeish: I cannot give the right hon. and learned Gentleman specific details of the amount of funds involved, but I wish to do so and will pass them on to him. The sourcing of the funds will be from within the legal aid budget. We obviously want to consider the extent of the legal aid involved in such a case.

Modern Apprenticeships

6. **Mrs. Rosemary McKenna** (Cumbernauld and Kilsyth): How many modern apprenticeships the Government intend to create in Scotland. [80994]

The Secretary of State for Scotland (Mr. Donald Dewar): The Government set a target of 15,000 modern apprenticeships by 2002 in the lifelong learning paper "Opportunity Scotland", published in September 1998. There are currently 10,500 modern apprentices in training, and 67 modern apprenticeship frameworks have been approved in Scotland. From 1 July 1999, this will be a matter for the Scottish Parliament.

Mrs. McKenna: Does my right hon. Friend agree that we should celebrate the impact that modern apprenticeships and the new deal are having on many thousands of young Scots? What plans does he have for modern apprenticeships under the Scottish Parliament, of which he will be the First Minister?

Mr. Dewar: I never anticipate events; I am a cautious man. I am not sure that it is right for me to speculate in this House on what that Parliament may do. Those who read carefully the public prints will know that the figure of 20,000 as a target for modern apprenticeships has been mooted, and it seems to me to be a splendid idea. I agree with my hon. Friend that it is important that we expand higher and further education and increase skills in other parts of the economy if we are to compete effectively. Modern apprenticeships have been a real success as part of the skill seekers programme, and there is widespread support for the expansion of that provision.

Mr. Shaun Woodward (Witney): Given that the new deal has so far managed to fail 60 per cent. of those participating, and given the Secretary of State's appalling, abysmal record of job creation—7,000 jobs were lost in Scotland last year, and 16,000 in the first year—would not the right hon. Gentleman do better to recognise that, rather than pushing yet another hopeless scheme of apprenticeships—and having imposed more than 2,500 extra regulations and £3.5 billion in extra taxes—the Government should get out of businesses' hair and let them create real jobs?

Mr. Dewar: I fear that the hon. Gentleman, poor soul, has been listening to the Scottish Conservatives. That is a great mistake. I do not recognise the figures that he gave. Let me make a serious point. The new deal has been a remarkable success, and has received widespread support from employers in Scotland—not initial support that has tailed off, but support that has been maintained and has grown over the months. It has had a remarkable impact on the unemployment rate among 18 to 24-year olds, which has halved over the period.

Of course there will be failures. The clients have difficult records; otherwise, they would not need to be involved in the new deal. However, the flexible gateway, the dedication and positive approach of the Employment Service and the co-operation between employers and the voluntary sector have produced real benefits and gains for Scotland.

If the hon. Gentleman examines the record of this Labour Government, he will see that since we came to office the number of people employed in Scotland has risen by about 17,000, while the number of those unemployed has fallen by 35,000. I recognise the difficulties; I recognise that parts of the economy are experiencing genuine problems. The situation is not helped, however, by a Greek chorus of misery from

Conservative Members, which I do not think can be any excuse for the fact that the hon. Gentleman is not often seen in Scotland.

Mr. Jim Murphy (Eastwood): My right hon. Friend will know that many young people in Scotland have been cynical about previous Tory schemes. Does he share my concern, and that of my young constituents in Eastwood, about the way in which the Scottish National party has sought to exploit that concern and cynicism by undermining the new deal?

The new deal has undoubtedly been a success. Will my right hon. Friend assure us that, as part of his drive to increase the skill level and to give young people in Scotland fresh opportunities, the new deal will not be replaced by modern apprenticeships, but the new deal and the modern apprenticeships vision will work in tandem to unlock the potential of many thousands of young Scots?

Mr. Dewar: I have no difficulty in agreeing with my hon. Friend about that. There are some 38,500 skill seekers in Scotland at present, 72 per cent. of whom are receiving a wage. I believe that the concept of skill seekers has been a success, but it is true that we must work, through skill seekers and in other ways—on other fronts on which the new deal is won—to try to achieve an interlocking pattern of provision. We need to skill and encourage our people into the labour market, so that they can have the dignity and, importantly, the wages that go with regular employment.

I do not want to be too difficult about the cynicism of the SNP at the moment. I see that the party is represented by one lonely outpost today. Lest any of my hon. Friends should say anything nasty, let me add that we should have some consideration for those who are worried about their seats.

Mr. Archy Kirkwood (Roxburgh and Berwickshire): Will the Secretary of State acknowledge that the job increases to which he rightly adverted have been mainly in the service sector, and that they have involved mainly part-time jobs? Will he further acknowledge that a real contribution to manufacturing industry can be made through modern apprenticeships? Will he give a guarantee that the central industries, such as the textile industry, that can be assisted by such apprenticeships will be properly consulted? Will he look carefully at the German model, in which there is a close relationship between schools, industry and trade unions, in doing what he can to assist manufacturing industry north of the border in the future?

Mr. Dewar: I take the hon. Gentleman's point about the importance of the interface between school education, further education and industry. Of course he is right in saying that there have been problems in manufacturing industry, but I do not think that those problems are unique to Scotland. It was encouraging to see the last quarterly report of the Bank of Scotland, which suggested that some sites were viable and could be improved. I have no doubt that there will be disappointments before we surmount the present difficulties, but the framework generally is encouraging, and it was important that we were able to announce a substantial input of financial services jobs a few weeks ago.

I am sure that the hon. Gentleman will be fair about this. If he considers the successful efforts to preserve the Longannet deep mine over the past few weeks, and the work of Gavin Laird and his colleagues in the task force to deal with the difficulties in the shipbuilding industry, I think—or I would like to think—that he would be one of the last Liberal Democrats to accuse us of inattention or indifference to the problems.

Further and Higher Education

8. **Ms Rachel Squire** (Dunfermline, West): What steps the Government are taking to improve access to further and higher education in Scotland. [80996]

The Minister for Education, Scottish Office (Mrs. Helen Liddell): Last month, we announced major steps to improve access to further and higher education. We challenged further education colleges to widen access to under-represented groups—a challenge that we are backing with more than £100 million, which will create an additional 40,000 places for such students. In higher education, in the next three years we expect to spend £60 million on measures to help widen access for students from less-advantaged backgrounds, and particularly to assist low-income or disabled people to study part-time. From 1 July 1999, this will be a matter for the Scottish Parliament.

Ms Squire: Does my right hon. Friend agree that the previous system of funding further and higher education failed to reach the majority in our most deprived communities and to give them access to educational opportunity? Because of the Government's introduction of the Scottish grant for widening access, and the partnership between Fife council community services and Lauder college, I had the pleasure of opening a learning centre in High Valleyfield, which is a former mining community in my constituency that has some of the area's highest levels of deprivation and unemployment. Since January, 115 people have applied for courses, the range of which is being expanded, and some people are considering establishing a community business.

Will my right hon. Friend join me in paying tribute to all those who have been involved in the centre? Does she agree that it is a step-by-step example of how the Government are delivering lifelong learning and giving people new skills, greater belief in themselves and real hope for a better future?

Mrs. Liddell: I congratulate my hon. Friend on her involvement in the High Valleyfield project. I have visited a number of projects in Fife that testify to the accuracy of her comments. The Government are committed to widening access, especially for those who are particularly disadvantaged. On higher education—which has a proud record in Fife—I have been talking to the Higher Education Funding Council for Scotland, encouraging it to examine means whereby premiums could be paid to higher education institutions that make particular efforts to enlarge the number of people from disadvantaged communities who attend those institutions.

Dr. Liam Fox (Woodspring): When, 16 days before the general election, the Prime Minister uttered the words:

"Labour has no plans to introduce tuition fees for higher education",

what did he mean?

Mrs. Liddell: Prior to the general election, the Prime Minister was awaiting the result of the Dearing

committee, which was established by the previous Government. I deplore the scaremongering of opposition parties in trying to dissuade people from entering applications to higher education institutions. Last year, there was a 4 per cent. increase in the number of those entering higher education, and there are now two applications for every higher education place in Scotland. It is deplorable that one party in Scotland is determined to ensure that those who are most disadvantaged in information technology and do not have access to computers should have to give up that opportunity so that tuition fees might be removed for those who are the wealthiest, coming from families who earn more than £35,000 a year. We are in favour of widening access.

Dr. Fox: It is a pity that the right hon. Lady—with such an ability to reinterpret political history—has become the invisible lady of the Scottish election campaign. The truth is that within a couple of months of uttering the words that I quoted, the Prime Minister announced a £3,000 tax on learning and the abolition of the student maintenance grant. Moreover, in complete contrast to what the Minister has just told us, there has been a 12.8 per cent. reduction in the number of Scottish students applying to go to Scottish universities. The numbers are already going down. After the Government's betrayal of Scottish students, we cannot believe a word that they say on education in advance of the Scottish elections.

Mrs. Liddell: I am delighted that the hon. Gentleman refers to me as the invisible lady; my diet must be working. To the invisible man, whom we have not seen during the Scottish election campaign, I say that as there are no Conservative Members of Parliament for Scotland, he might at least have felt able to join in the collective apology from his colleagues in Scotland to the Scottish people for the policies of the previous Government.

Forty per cent. of students from low-income families pay no tuition fees, and only a minority pay the full fees. As a consequence of the Government's policies, there will be more places in higher education in Scotland. Our aim is to have 750,000 young people in further and higher education in Scotland—a considerable achievement, and a great improvement on the record of the previous Government.

Mr. Malcolm Savidge (Aberdeen, North): May I assume from my right hon. Friend's answer that the Government will never consider benefiting better-off tertiary education students by plundering millions of pounds from schoolchildren and divorcing them from computers, as is proposed by the Scottish National party, which is scarcely represented here today?

Mrs. Liddell: My hon. Friend makes a good point. It is no surprise that the Scottish National party is scarcely represented; it seems likely to be even less well represented in future.

I visited Clackmannan primary school yesterday, where I saw primary 4 pupils working on computers as part of the success makers programme, which gives an opportunity to those who, perhaps because of their parents' lack of income, do not have access to information and communications technology. Those will be the skills required in the 21st century, and although I am aware that the Scottish National party has a great affection for Scotland's history, I regret that it expects our children to live in Scotland's past.

Secretary of State (Responsibilities)

9. **Mr. Nicholas Winterton** (Macclesfield): If he will make a statement on the responsibilities of the Secretary of State for Scotland after the establishment of a Scottish Parliament. [80998]

The Secretary of State for Scotland (Mr. Donald Dewar): The role of the Secretary of State for Scotland after devolution was described in our White Paper, "Scotland's Parliament". The Secretary of State will be expected to promote good communication between the two Governments and Parliaments in Edinburgh and London, to represent Scottish interests in reserved matters within the United Kingdom Government, and to exercise certain specific responsibilities under the Scotland Act 1998.

Mr. Winterton: I am grateful to the right hon. Gentleman for that courteous reply. Does he accept that devolution will bring about a massive transfer of power from his Department to the Scottish Parliament, not least in such major policy areas as agriculture, health and education? Bearing in mind the fact that this House will still make a major contribution through revenue support, can he tell us how Scottish Members of the United Kingdom Parliament, and this House, will clearly monitor such matters?

Mr. Dewar: I congratulate the hon. Gentleman on going to the nub of the matter with uncharacteristic speed. He is absolutely right—devolution represents a massive transfer of power. That is the point of the exercise, and on this side of the House we are rather proud of it.

I am sure that the hon. Gentleman recognises that there is a logical and strong division of responsibility between Westminster and the devolved Parliament in Edinburgh. Each will have areas in which its writ runs. To those on our side of the argument, including me, that seems a sensible arrangement. Of course, there are important matters, fiscal matters among them, that will remain at Westminster. Scottish Members of Parliament who represent Scottish interests in the House will not lose their tongues, or their interest in what is happening, and I suspect that they will closely and properly scrutinise such matters.

Oil and Gas Industry

10. **Miss Anne Begg** (Aberdeen, South): What measures his Department is taking to assist the oil and gas industry in Scotland. [80999]

The Parliamentary Under-Secretary of State for Scotland (Mr. Calum Macdonald): The Government have set up the oil and gas industry task force under the chairmanship of the Minister for Energy and Industry, who is based at the Department of Trade and Industry, to examine the key issues facing the industry and to produce recommendations for action by the summer.

My noble Friend Lord Macdonald, the Scottish Office Minister responsible for business and industry, is vice-chairman of the task force, and Scottish Office officials sit on the main task force group and on three of the working groups.

Miss Begg: I am sure that my hon. Friend will be pleased to note that the people from the oil industry in Aberdeen with whom I have had contact are pleased with the setting up of the oil and gas industry task force, and speak highly of the progress made so far. Can he confirm that the Labour Government will continue to support the oil industry, which is the major employer in my constituency, and will not treat it as some kind of "liquid plug" to fill the gap in Scotland's finances that would be caused by the Scottish National party's plans for divorce?

Mr. Macdonald: I am pleased to hear that the task force is being well received. It is working hard, and includes representatives from industry and the unions, as well as from the Scottish Office. It was set up in the context of a 25-year low in oil prices but, although the price of oil is rising now, it is very important that we continue to support the task force and enable the industry to compete in very tight international markets.

Mr. Ian Bruce (South Dorset): Will the Minister explain what will happen to the functions of the Department of Trade and Industry with regard to the oil industry? My constituency has the largest oilfield in the European Union, but will it have to rely on civil servants in Aberdeen to decide certain aspects of oil policy? Will we have to ask the Scottish Parliament, to which oil policy may be devolved, for details of what is happening in the oil industry in Dorset?

Mr. Macdonald: Energy policy will remain a reserved matter. I am sure that there will continue to be good co-operation between the Scottish Office and Westminster on that policy, as on all other issues.

Mr. David Marshall (Glasgow, Shettleston): I was one of many Labour Members who visited the Kvaerner Govan shipyard last Friday. We all wholeheartedly supported the upbeat and optimistic presentation from management and shop stewards. Does the Minister agree that that excellent yard has a future, and will he say whether the task force will be able to put any oil and gas work the yard's way, to enable it to overcome its short-term difficulties?

Mr. Macdonald: I am pleased to hear that my hon. Friend and other Labour Members have visited the yard and talked to management and unions. I am sure that that will have been a boost to the morale of the work force. We have set up a task force to examine how to find prospective buyers for the yard. It is working extremely hard, and I am sure that we all wish it every success.

Sir Robert Smith (West Aberdeenshire and Kincardine): I welcome the task force and acknowledge that it is working hard and constructively, but it will be judged by the outcomes that it achieves. The Minister has said that the oil price is rising, but will he assure the House that the Chancellor of the Exchequer has learned the lesson of the Government's first two years in power, and will not regard the higher oil prices as an excuse to re-examine the tax regime and increase taxes on the oil industry?

Mr. Macdonald: That is a matter for my right hon. Friend the Chancellor but, through the task force on the oil and gas industry, we will examine a range of measures to support and develop the oil industry, some of which are already being implemented.

Sexual Assaults

11. **Mr. Harry Cohen** (Leyton and Wanstead): How individuals who have *(a)* been victims of and *(b)* committed male rape are dealt by the judicial system within Scotland. [81000]

The Minister for Home Affairs and Devolution, Scottish Office (Mr. Henry McLeish): The term "male rape" does not exist in Scots criminal law. A man who forces another man to have non-consensual sexual intercourse with him would face charges of indecent assault and sodomy. The penalties for such offences are limited only by the court in which they are tried—that is, up to life imprisonment for a case heard in the High Court. The needs of victims of sexual assault are increasingly recognised by the agencies in the criminal justice system, which provide support as appropriate.

From 1 July, this will be a matter for the Scottish Parliament.

Mr. Cohen: I am grateful to my hon. Friend for that reply; he has written to me previously to the effect that male rape is a foreign concept in Scots law. However, given that it is not a recognised criminal offence in Scotland, there is no point in reporting incidents or providing official trauma counselling for victims, and perpetrators are not brought to justice. Male rape is recognised in England and Wales as a specific criminal offence: does not that mean that, in this instance, the law in England and Wales is superior to that in Scotland?

Mr. McLeish: I appreciate my hon. Friend's contribution to the debate in England and Wales over the Criminal Justice and Public Order Act 1994, to which he refers. However, as I said, Scots law does provide for the offences of indecent assault and sodomy. We in Scotland see no need to change the current definitions, and we consider that the common law of Scotland is sufficiently flexible.

In addition, we are doing a great deal in Scotland to help the victims of all crime, and I have just completed a consultation report on the matter of intimidated and vulnerable witnesses. I assure my hon. Friend that indecent assault and sodomy are covered by Scots law, and that we are also doing a great deal for victims of crime and for intimidated witnesses.

Economic and Monetary Union

12. **Dr. Julian Lewis** (New Forest, East): When he last met representatives of the Federation of Small Businesses to discuss economic and monetary union. [81001]

The Parliamentary Under-Secretary of State for Scotland (Mr. Calum Macdonald): My right hon. Friend last met the Federation of Small Businesses on 21 April. Economic and monetary union did not feature on that occasion, but the federation is a member of the Scottish EMU co-ordination group, which is taking forward business preparation in Scotland for EMU. The group last met on 12 April.

From 1 July, this will be a matter for the Scottish Parliament.

Dr. Lewis: I am sorry to hear that economic and monetary union did not feature on the agenda of that meeting. Had it done so, small businesses would have been able to inform the Secretary of State of their overwhelming opposition to the abolition of the pound and its replacement by the euro. They might also have drawn to his attention the result of last month's ICM poll, which shows that 30 per cent. of the population are in favour of EMU, but 60 per cent. are against. That makes a 2:1 majority, and it marks a 6 per cent. increase in the majority against EMU since last October when the same question, with the same wording, was asked. Does that not show that the Government are wasting their time trying to brainwash people into abandoning our currency and merging our economy with that of the European continent?

Mr. Macdonald: There are different views in the business community. The Scottish CBI, for example, supports the principle of UK membership when the economic conditions are right, and that reflects the Government's position. We are preparing industry for the possibility of that decision, and the Federation of Small Businesses is playing a constructive and positive part in preparations.

Mr. Martin O'Neill (Ochil): Does my hon. Friend agree that economic and monetary union will be attractive to Scottish businesses when they are able to appreciate the full import of the competitiveness White Paper, which contains a range of opportunities and assistance for small business? In addition, small businesses depend on large businesses operating alongside them. Will my hon. Friend accept the congratulations of small businesses in my constituency on the work done by the Secretary of State and Lord Macdonald of Tradeston to smooth the path to ensuring the future of coal mining at Longannet? A multitude of jobs depend on the mine, both in Longannet and in the industries and small businesses in west Fife and Clackmannanshire that depend on it.

Mr. Macdonald: My hon. Friend is absolutely right to say that the Government are pursuing a range of measures to help small businesses. We certainly do not need a penny increase in income tax, which would severely affect many unincorporated small businesses.

Mr. Desmond Swayne (New Forest, West): Is the Minister aware that polling evidence reveals that although small business men are overwhelmingly against economic and monetary union, they nevertheless have a sense of its inevitability? In other words, they fear that people less intelligent and informed than themselves may vote for it.

Mr. Macdonald: The Federation of Small Businesses has set out its views in a press release, saying that

"the FSB is not telling its members to ignore EMU and stick their heads in the sand and hope that it will go away. It won't."

The hon. Gentleman might take that advice.

Crichton Estate (Dumfries)

13. **Mr. Russell Brown** (Dumfries): What plans he has to assist with the development of the Crichton estate in Dumfries as a base for higher education provision. [81002]

The Minister for Education, Scottish Office (Mrs. Helen Liddell): Some £1.8 million has been awarded jointly to the universities of Glasgow and Paisley by the Scottish Higher Education Funding Council to develop higher education provision at the Crichton site. The first students will be admitted to courses in September, and there are plans to have 500 undergraduate places there by 2001–02.

From 1 July, this will be a matter for the Scottish Parliament.

Mr. Brown: I am grateful to my right hon. Friend, who fully appreciates the significance of the site as both a future business terrace and a university campus. Will she confirm that, as a Government priority, new information technologies, such as the national grid for learning, will be embraced to provide educational opportunity to rural communities in Scotland?

Mrs. Liddell: I can confirm that, step by step, we will ensure that the national grid for learning is developed throughout Scotland. Scotland's higher education institutions are already linked. We are also rapidly developing the university of the highlands and islands. With the development of broad-band information technology for the higher education sector, we are proceeding apace to introduce it to schools and further education institutions.

Scottish Parliament

14. **Sir Teddy Taylor** (Rochford and Southend, East): What steps he will take to advise hon. Members of the activities and decisions of the Scottish Parliament. [81003]

The Secretary of State for Scotland (Mr. Donald Dewar): The Scottish Parliament will be expected to publish an official record of its proceedings and a journal recording its decisions. Those have been provided for in its initial Standing Orders as contained in the Scotland Act 1998 (Transitory and Transitional Provisions (Standing Orders) and Parliamentary Publications) Order 1999, which was laid on 12 April. I am not sure that that was the most exciting answer that I have ever given, but as it may be my last—at least in this capacity—I hope that it helped the hon. Gentleman.

Sir Teddy Taylor: Some of us consider that the devolution business will end up as a costly and divisive shambles, but obviously, we pray that we are wrong as 1 July approaches. What steps does the Secretary of State believe should be taken to encourage co-operation between the two Parliaments? What will he be answerable

for in the House of Commons? Does he see any meaningful role for Scottish Members in Westminster after devolution?

Mr. Dewar: Of course there is a role for Scottish Members in Westminster. The hon. Gentleman may think that fiscal affairs, foreign affairs, macro-economics, defence, labour law and all the things that would preserve the integrated and level playing field for business in this country are unimportant, but I do not. Scottish Members will be here to represent Scottish interests and their constituents' interests, as they are now, in respect of those important matters. The hon. Gentleman is concerned about lack of co-operation. He and I have been shouting abuse at each other for about 30 years, and he will want to ensure that that level of admirable co-operation continues.

LORD CHANCELLOR'S DEPARTMENT

The Minister of State was asked—

Low-Income Clients

29. **Mr. Ben Chapman** (Wirral, South): What plans he has to ensure that low-income clients will have full and appropriate access to legal advice. [81019]

The Minister of State, Lord Chancellor's Department (Mr. Geoffrey Hoon): The Government's proposals for legal aid reform will ensure that scarce financial resources are targeted on the people and cases that most need them. We will treat as a priority cases involving social welfare and public interest issues, many of which are likely to involve people on low incomes. That will be supported by the creation of the community legal service, which will make legal help and advice more readily available from a wider range of sources.

Mr. Chapman: Does my hon. Friend agree that the poorest people are often concerned about debt, housing, welfare benefits and racial discrimination, which fall outside the ambit of legal aid? Will he confirm his commitment to me to develop those services within the community legal framework? Does he agree that solicitors might better spend their time developing such services within that system for those people, rather than spending £700,000 on a misleading, wasteful, scaremongering advertising campaign?

Mr. Hoon: I agree with my hon. Friend. The Government's plans for the community legal service will target help on those most in need. In particular, we will establish social welfare cases as a priority, which will help people to avoid, or climb out of, social exclusion, especially in cases involving people's basic entitlements to a roof over their heads or appropriate social security benefits. That will mean that poorer members of society will benefit from the reforms as they are precisely the people likely to be involved in such cases.

Mr. John Burnett (Torridge and West Devon): Does the Minister agree with me and many others, including many Labour Members, that access to justice for low-income clients would be greatly enhanced if the Government were to remove the ban on personal injury legal aid in schedule 2 of the Access to Justice Bill?

Mr. Hoon: I have made it clear repeatedly to the hon. Gentleman that there is a limit to the money that any Government can devote to legal aid. In deciding priorities within that limit, it is important that we focus resources where the money can do most good. If there is a well-established system of conditional fees that is operating well—as there is—whereby people with personal injury cases can obtain representation effectively and efficiently, it is only right that the money that would otherwise go to fund such cases is channelled into the creation of a community legal service to help the most vulnerable in society. I have explained that to the hon. Gentleman many times before.

Mr. Edward Garnier (Harborough): How then will the Minister ensure—indeed, guarantee—that someone without money who does not have access to a conditional fee arrangement because he cannot afford the insurance premiums necessary to underpin one will be able to prosecute a personal injury claim outside the field of clinical negligence?

Mr. Hoon: The Government are confident that people with good cases will always find lawyers, insurance companies or others willing to fund the initial up-front costs, including the cost of an insurance premium. Many people already have access to a trade union scheme, under which their cases can be taken forward without any up-front funding. Many such schemes are being extended to include the relatives of trade unionists. A range of different schemes will be available. May I suggest something quite revolutionary to the hon. and learned Gentleman? Perhaps the lawyers will be willing to fund the up-front costs, because they will benefit from the profits that they make from winning the good cases.

Fiona Mactaggart (Slough): Can my hon. Friend assure us that the case featured in the Law Society advertisement, of a black man who claims that he has been beaten up by the police and imprisoned, would qualify under his proposals for aid and support? Does he agree with the editorial in today's *Evening Standard* that the Law Society's claim for our sympathy is genuinely comical and that its advertisement is irresponsible scaremongering?

Mr. Hoon: My hon. Friend is right to point out that the Law Society seems to have chosen four cases to highlight problems with legal aid in which we have made it clear that legal aid will not be affected. It is irresponsible of the Law Society to spend its members' money on running such a campaign. It is disgraceful that it is frightening people into thinking that they may lose entitlement that the Government have repeatedly made clear that they will still have.

Magistrates Courts

30. **Mr. Bob Russell** (Colchester): How many magistrates courts have closed since 1 May 1997. [81020]

The Minister of State, Lord Chancellor's Department (Mr. Geoffrey Hoon): In the period from 1 May 1997 to 31 March 1998, 25 magistrates courts were officially closed following decisions taken by local magistrates courts committees. Since then, I am aware of 12 other courthouse closures against which appeals were lodged and subsequently dismissed.

Mr. Russell: When will the Minister stop the pretence that local communities are advocating the closure of their magistrates courts? Does he accept that in every case, a quango—the magistrates courts committee—has recommended the closure? In most cases, the local democratically elected councils, county councils and/or political parties oppose the closures. How many more courts does the Minister intend to close while he holds his current office?

Mr. Hoon: I have repeatedly answered this question as well. I have made it clear that the process of closure is laid down in law and is scrupulously followed. It requires a determination by a local magistrates courts committee that a courthouse should close. The only role that my Department has in resolving such matters is in hearing the appeal against closure, which is taken forward only if a local paying authority decides to appeal. If the local paying authority chooses not to appeal, which happens from time to time, the Lord Chancellor's Department has no involvement.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich): In that case, would my hon. Friend like to look closely at the powers of the Lord Chancellor's Department? Frankly, there is not a lot of point in the Government's advocating through environment and transport policies the sensible placing of basic services, such as magistrates courts, in the centre of communities if there is a continuing programme of closure, over which my hon. Friend has no influence. Will he please have a word with some of his colleagues and point out that this is just a little tiny bit illogical?

Mr. Hoon: I do not accept that it is illogical, but I accept that it is important that the Government continue to review the powers available to them and ensure that there is appropriate access to justice for all our citizens.

Sir David Madel (South-West Bedfordshire): The Minister listened courteously to the arguments over the proposals to shut magistrates courts in Biggleswade, Ampthill, Dunstable and Leighton Buzzard put to him by my right hon. and learned Friend the Member for North-East Bedfordshire (Sir N. Lyell) and myself. We represented our constituents and powerful local views on the matter. Will he explain why our strong arguments were brushed aside and why the decision has been taken to shut down those four magistrates courts? It was the wrong decision.

Mr. Hoon: I want to make it clear to the hon. Gentleman that his arguments were not brushed aside. Indeed, he made a most powerful case. Each appeal is considered on its own merits; the Department follows the procedure laid down in legislation for which I am sure that the hon. Gentleman voted when it went through Parliament. As I pointed out earlier, the responsibility of the Lord Chancellor's Department is simply to consider the merits of the particular case put to it by the local paying authority and the local magistrates court.

Magistrates

31. **Helen Jones** (Warrington, North): What progress has been made in making the magistracy more representative of the communities which it serves; and if he will make a statement. [81021]

The Minister of State, Lord Chancellor's Department (Mr. Geoffrey Hoon): Following research into how best to improve recruitment of magistrates from a broad spectrum of the community, the Lord Chancellor launched a national publicity campaign to raise awareness that it is open to most people to apply. The campaign finished recently; it resulted in more than 13,000 inquiries. The Lord Chancellor's advisory committees have continued to undertake recruitment initiatives at a local level.

Helen Jones: I am grateful to my hon. Friend for that reply and for the progress that has been made. Does he agree that, if magistrates are to be truly representative of the communities that they serve, we need more people serving on the Bench who are in employment, as well as those who are self-employed or retired? Will he tell the House what steps his Department will take to encourage employers to support their employees who are willing to undertake that service, and to end the situation, which prevails in large parts of my constituency—and in other constituencies—in which people feel that they will be penalised at work if they put themselves forward to be magistrates?

Mr. Hoon: My hon. Friend is right. The research demonstrated that far too many people rule themselves out of applying. Undoubtedly, one of the reasons is that, if they are in employment, they do not believe that they will be given appropriate time off. We need to put across the idea that almost anyone may apply to become a magistrate. It is only when we receive applications from—I hope—some of the 13,000 people who have made inquiries during our campaign that we shall have a more representative magistracy.

Mr. Ian Bruce (South Dorset): Will the hon. Gentleman return to his office, examine the letters that are sent to those who have just retired from the magistracy and ask himself whether that sort of letter will encourage others to join? He will see that people are told all the things that they are not allowed to do when they retire from the Bench—including keeping in touch with all the friends with whom they previously worked in the magistracy. I hope that he will consider that matter very seriously.

Mr. Hoon: I have not read a copy of such a letter, but I undertake to do so. I shall write to the hon. Gentleman if I am concerned about the contents.

Commonhold

32. **Mrs. Jacqui Lait** (Beckenham): What progress he has made on reform of commonhold law; and if he will make a statement. [81022]

The Minister of State, Lord Chancellor's Department (Mr. Geoffrey Hoon): The Government are committed to introducing commonhold. Many of the issues that are included in the consultation paper on leasehold reform published recently by the Department of the Environment, Transport and the Regions will affect how we proceed with commonhold. We expect to learn the results of the DETR's exercise very soon and shortly after that, I shall announce how we plan to take forward proposals for commonhold.

Mrs. Lait: I welcome the snail's pace of progress on the introduction of commonhold. Is the Minister aware that the new build of small flats in Beckenham is proceeding apace, and that people are having to buy under the outmoded leasehold system? Does he agree that new build is the best area in which to introduce commonhold, and will he please give me some assurance that he will introduce commonhold as speedily as possible for new build?

Mr. Hoon: I am sorry that the hon. Lady criticises the pace of progress made by the Government on that matter. At least, we are going forward with those proposals. My recollection is that the previous Government withdrew their proposals, because they could obtain no support for them. Certainly, we are anxious to make progress; it is important to build on the work that is currently being undertaken by the DETR. As the hon. Lady is aware, commonhold is intended to overcome the problems faced by people who live in developments with a long leasehold. Until we have a clear idea of how we can make progress on reform to leasehold, there is no point in setting out precisely what we intend to do with commonhold.

Mr. Peter L. Pike (Burnley): Does my hon. Friend recognise that many millions of people who live in outdated leasehold properties believe that the system should be consigned to the dustbin of history and that a modernising Government, such as the current Labour Government, should embark on reforming legislation as soon as possible? The consultation period has finished, so will he give an assurance that action will be taken within the lifetime of this Parliament?

Mr. Hoon: My hon. Friend and I were both elected on a manifesto that contained a commitment to introduce commonhold, and I am sure that the Government are keen to ensure that every aspect of that manifesto is implemented within the lifetime of this Parliament.

Points of Order

3.30 pm

Mr. Tim Yeo (South Suffolk): On a point of order, Madam Speaker. Last Thursday, the Minister of State, Ministry of Agriculture, Fisheries and Food answered an oral question on Meat Hygiene Service inspection charges, saying that the Government

"have proposed no charges and consulted on no charges; no one has had an invoice involving a 1 per cent. increase, a 1,000 per cent. increase or any increase."—[*Official Report*, 22 April 1999; Vol. 329, c. 1034.]

On Friday morning, I visited a Leicestershire abattoir owned by Joseph Morris, who had received that very morning a letter from the MHS confirming that the increase in the charges he must pay for visits by official veterinary surgeons employed by the MHS would rise by more than 100 per cent., backdated to 22 March. Do you agree, Madam Speaker, that the Minister should explain to the House at once whether he knew what the MHS was doing when he answered that question; and, if he did not know, why not?

Madam Speaker: I am sure that the hon. Gentleman realises that that is not a matter for me. From what he has said, I have no doubt that he will raise the matter directly with the Minister concerned.

Mr. Tam Dalyell (Linlithgow): On a point of order, Madam Speaker. Both in questions to the Prime Minister yesterday and during the debate, the question was repeatedly asked as to what would happen if Russian ships were to be apprehended, either in the Mediterranean or in the Adriatic. Have you had any request from Downing street, the Foreign Office or the Ministry of Defence to address that question?

Mr. David Winnick (Walsall, North): Further to that point of order, Madam Speaker. Is there to be a statement today on the continued violence, the murders and the ethnic cleansing in Kosovo? Those acts cause tremendous distress to hon. Members—certainly to Labour Members and, I hope, to Opposition Members as well—and it would be interesting to know whether a statement is to be made as soon as possible.

Madam Speaker: I must inform both hon. Gentlemen that I am not aware that a statement is to be made today, but I know that the Government are aware of those matters. Ministers make statements to the House as often as they are able to and I want them to continue to do that.

BILL PRESENTED

Recycling of Household Waste

Mr. Jim Cunningham, supported by Mrs. Christine Butler, Mr. Alan Hurst, Dr. Ian Gibson, Mr. Piara S. Khabra, Dr. Ashok Kumar and Mr. David Taylor, presented a Bill to amend the Environmental Protection Act 1990 to require waste collection authorities to provide receptacles for recyclable and non-recyclable household waste on demand: And the same was read the First time; and ordered to be read a Second time on Friday 7 May, and to be printed [Bill 90].

Regulations on Small Businesses (Reduction)

3.33 pm

Mr. John Bercow (Buckingham): I beg to move,

That leave be given to bring in a Bill to reduce the quantity of regulations on businesses below a certain size.

Businesses employing fewer than 100 people constitute 99.6 per cent. of Britain's firms, employ 50 per cent. of the private sector work force and produce two fifths of national output. In preparing today's Bill, I have met or spoken to Stephen Alambritis of the Federation of Small Businesses, Alison Beer of the Forum of Private Business, Ruth Lea of the Institute of Directors, Colin Perry of the small firms council of the Confederation of British Industry, Lucy Miller of the British Chambers of Commerce and Maurice Fitzpatrick, head of economics at the leading firm of chartered accountants in the City, Chantrey Vellacott. All of them agree that the burden of regulations on small business is high, continues to rise and needs to be checked or reversed.

In April 1997, the then shadow Chancellor, the right hon. Member for Dunfermline, East (Mr. Brown), declared in the foreword to Labour's business manifesto:

"We will not impose burdensome regulations on business, because we understand that successful businesses must keep costs down."

Nineteen months later, his right hon. Friend the Member for Hartlepool (Mr. Mandelson) told the House

"we have no intention of introducing any legislation that presents a burden on business and reduces the competitiveness of British firms."—[*Official Report*, 25 November 1998; Vol. 321, c. 214.]

Sadly, only weeks after the first statement and fully 18 months before the second, the Government began the process of betraying that pledge, which has so far resulted in an extra 2,400 regulations since 1 May 1997.

The working time directive will reduce the flexibility of small businesses to respond to the demands of customers in an increasingly competitive marketplace. The notice of implementation of that directive—a mere 45 days at the height of the summer season—was little short of a national disgrace. The national minimum wage will add £2.7 billion a year to this country's wages bill and will hit small and medium-sized enterprises especially hard. Once again, notice in the form of guidance to employers—which was issued a mere three weeks before the national minimum wage was to take effect—appeared to many to be a calculated insult to businesses.

Whatever their intrinsic merits or demerits, the working families tax credit, the child care credit, the disabled persons learning credit and the student loan repayment administration regulations all shuffle responsibility from central Government to beleaguered businesses, forcing the latter to become unpaid tax collectors and benefit distributors. If small businesses make mistakes in the process, they can expect to incur hefty fines.

The move to self-assessment in relation to transfer pricing threatens to impose an onerous burden of record keeping and documentation on small firms regardless of whether they trade much or little on a cross-border basis. Consistent with other Inland Revenue regulation of late, those companies are obliged to prove that they are innocent of any transgressions of the regulations. They can do that only through an extensive and expensive paper trail, which could otherwise be avoided.

[Mr. John Bercow]

A flat rate of £90 a year has been levied to pay for the introduction of the Food Standards Agency. As my right hon. and hon. Friends know, the possibility that that levy could rise to up to £600 per year is a source of growing anxiety to the 263 corner shops in the Aylesbury Vale district council area that incorporates my Buckingham constituency. Above all, the new Meat Hygiene Service regulations—entailing onerous veterinary inspection requirements—represent a devastating blow to small abattoirs, independent butchers and local country markets the length and breadth of rural Britain. The Government have opted for a particularly onerous interpretation of the original European Union directive on that subject, and the meat industry and consumer choice will suffer as a result.

What are the financial costs and other effects of the phenomenon of burgeoning regulation that I have described? The pressure of this regulation on small businesses is remorseless. The pain is intense, but the benefits seem to be negligible. It is astonishing to learn that the Government have not published—and according to a parliamentary answer from the Parliamentary Secretary, Cabinet Office, they do not intend to publish—a statement on the cost of regulations. Fortunately, the Institute of Chartered Accountants has obliged. It informs us that the extra cost for the average small business with fewer than 100 employees as a result of Government legislation introduced since 1 May 1997 is no less than £5,000 a year.

Chantrey Vellacott—the firm of esteemed accountants to which I referred earlier—calculates that the increase in the regulatory burden since the general election is 17.33 per cent. My right hon. and hon. Friends will note that that is before we have taken account of the contents of the Employment Relations Bill, which will add significantly to existing costs. That is the scale of the damage that is being inflicted.

What hope is there? Regulation is damaging to small firms, which bear a disproportionate burden of the fixed cost that is entailed. The effect of regulation undoubtedly will be to divert small owner-managers from business, to stifle growth, to reduce competitiveness, to destroy jobs and to force businesses to close. They will go bankrupt or they will close as individual proprietors give up the unequal struggle against the regulatory leviathan.

What can be done? My Bill proposes a number of simple but helpful measures. First, there should be an annual statement to Parliament on the cost of regulation and the Government's plans to reduce that cost in the ensuing year. Secondly, there should be six-monthly reports on the progress of deregulatory initiatives. Thirdly, there should be a review of all existing legislation to find out where there is harmful gold-plating of European Union directives which can sensibly and helpfully be removed.

Fourthly, there should be a power in all future legislation to exempt small businesses from the most damaging regulations along the lines of the American model, with which the House will be familiar, which is provided for in the Regulatory Flexibility Act 1980 and the Small Business Regulatory Enforcement Fairness Act 1996. Fifthly, a system of sunset regulation should be instituted, whereby a regulation automatically expires or lapses on a given date, perhaps three or five years after its original enactment, unless Parliament chooses to renew it. That system works very well at state and federal level in the United States.

The sixth proposal is that there should also be a minimum three months of consultation on each new regulation and a minimum three months' notice of intended implementation of a new regulation, to give businesses time to prepare.

The sea of regulation is now deeper and more hazardous than any with which businesses have previously had to contend. The Government, I regret to say, are lacerating small businesses. My hon. Friends and I want to liberate those businesses. The Bill is a positive step in the right direction at an opportune time, and I appeal to the House to support it.

Question put and agreed to.

Bill ordered to be brought in by Mr. John Bercow, Mr. Graham Brady, Mrs. Angela Browning, Mr. Christopher Chope, Mr. Nick Hawkins, Miss Julie Kirkbride, Mr. Andrew Lansley, Mr. Richard Page, Mr. Owen Paterson, Mr. David Prior, Mr. David Ruffley and Mr. Richard Spring.

Regulations on Small Businesses (Reduction)

Mr. John Bercow accordingly presented a Bill to reduce the quantity of regulations on businesses below a certain size: And the same was read the First time; and ordered to be read a Second time on Friday 21 May, and to be printed [Bill 89].

Orders of the Day

Finance Bill

(Clauses Nos. 2, 28 and 99)

Considered in Committee.

[SIR ALAN HASELHURST *in the Chair*]

Clause 2

HYDROCARBON OIL DUTIES

Question proposed, That the clause stand part of the Bill.

3.44 pm

The Chief Secretary to the Treasury (Mr. Alan Milburn): Clause 2 increases the rate of duty on petrol, diesel and other fuels.

Diesel duty is now 3p per litre more than the duty on unleaded petrol, to remove diesel's advantage when considering energy and carbon content per litre. The differential is also in recognition of the fact that diesel is more harmful to health than petrol because of the particulate and nitrous oxide emissions associated with it.

We have, however, further increased the incentive for ultra-low sulphur diesel by increasing the duty differential over conventional diesel from 2p to 3p per litre. That increase, if passed on to the consumer, should make ultra-low sulphur diesel cheaper at the pump than conventional diesel, and should further encourage the manufacture and use of that cleaner fuel. The duty rate for ULSD is now the same as that for unleaded petrol. Cleaner diesel already accounts for 70 per cent. of sales. By the end of this year, thanks to the duty changes that we are making, it could account for almost all of diesel sales in this country, with clear benefits for the environment. Similarly, the duty on road fuel gas has been reduced by 6.13p to 15p per kg—a reduction of 29 per cent. That reduction reflects the considerable environmental benefit of road fuel gas over other road fuels, especially diesel.

Gas-powered vehicles emit significantly fewer pollutants than those that use petrol or diesel. The Government hope that the substantial reduction will encourage manufacturers to increase the distribution and availability of that environmentally friendly fuel, and that the lower price to the consumer will help to offset the cost of vehicle conversion.

The duty on higher octane unleaded petrol, also known as super unleaded, is increased to 52.33p per litre. However, the duty rate will be cut to 49.21p per litre—2p above the unleaded rate—from 1 October 1999. It may be useful if I explain why.

The current duty rate on higher octane unleaded petrol is close to that of leaded because it contains high levels of benzene, which is a known carcinogen. Benzene levels in petrol, however, will be regulated from 1 January 2000, so there will no longer be a health reason for distinguishing between rates of duty on unleaded and high octane unleaded petrol. However, lead replacement petrol, which is to be introduced in the second half of this year, is dutiable as higher octane unleaded petrol, and will mostly be used in older cars, which are less fuel efficient and environmentally friendly than newer cars running on unleaded petrol. On that basis, therefore, it is right to apply a higher duty rate, if not as high as previously.

The duty cut will take effect from 1 October 1999, to facilitate the introduction of lead replacement petrol, allowing the industry time before 1 January 2000, when leaded petrol is banned, to sort out its supply logistics. I know that that is a concern, especially for those with older cars.

The clause therefore continues the policy, introduced by the previous Government, of increasing duties on road fuels by more than the rate of inflation. The fuel duty escalator was formally introduced by a Conservative Government in 1993, in an effort to meet the commitments that they made at the Rio earth summit. The present Government are continuing to use the escalator for similar reasons—because it will help us to meet the commitments that we made at Kyoto.

Mr. John Hayes (South Holland and The Deepings) *rose—*

Mr. Dale Campbell-Savours (Workington) *rose—*

Mr. Milburn: I shall give way to the hon. Gentleman and then to my hon. Friend the Member for Workington (Mr. Campbell-Savours).

Mr. Hayes: Does the right hon. Gentleman recognise that we are discussing a cumulative problem? The escalator may have been introduced by a previous Government, but that means that there is no obligation on the present Government to continue it. Will he at least give an assurance to those who are most worried about increases—especially people in rural constituencies such as mine, for whom cars are a necessity, not a luxury—that the increases will not continue year on year? The implication of what the right hon. Gentleman is saying is that the escalator will be used *ad infinitum*.

Mr. Milburn: I intend to discuss rural areas and the special transport needs of people living in the countryside. Very often, for such people, a car is a necessity rather than simply a luxury.

The hon. Gentleman asks about the continuation of the escalator. We made it perfectly clear in the Budget report this year that, as the Chancellor said in his 1997 July Budget, road fuel duties would be increased on average by at least 6 per cent. in real terms in future Budgets. That was the stated position in the Red Book; it remains the position today.

Mr. John Swinney (North Tayside) *rose—*

Mr. Campbell-Savours *rose—*

Mr. Milburn: May I take one intervention at a time? I give way to my hon. Friend.

Mr. Campbell-Savours: About three weeks ago, I asked my right hon. Friend the Minister of Transport whether some research might be done on transport costs per tonne per mile in each European country, including the United Kingdom.

[Mr. Campbell-Savours]

I believe that that is the statistic that matters, because it will show that costs for British hauliers are now substantially higher than those of their European counterparts. I have been elected to represent a constituency 300 miles from London, from which freight must be carried to the major conurbations. That distance creates substantial on-costs for industry, and those calculations and that research are important. Can my right hon. Friend tell me whether that work is being carried out? If it is, will the Government take the results on board if they reveal what I suspect?

Mr. Milburn: I am aware, first, that a variety of statistics are connected with the road haulage industry, in particular, those relating to the impact of the fuel duty escalator and, secondly, that my hon. Friend questioned my right hon. Friend the Minister of Transport about it at Question Time about a fortnight ago. I understand that my right hon. Friend replied positively. If that is the case, I am sure that the Department of the Environment, Transport and the Regions is looking at precisely the issues that my hon. Friend asked it to look at.

Mr. Campbell-Savours: I understand that the Department may be doing that, but I want to know whether Treasury Ministers are involved in that research and whether they are prepared to respond if it shows what I believe to be true—that British hauliers, irrespective of the KPMG report and all the other issues, are paying more. I am deeply disturbed, because of the on-cost for companies in my constituency, which is 300 miles from London.

Mr. Milburn: At the danger of starting on the wrong foot—

Mr. John Bercow (Buckingham) *rose—*

Mr. Milburn: May I answer one question at a time? I know that the hon. Gentleman is very keen in such debates, but can he contain himself for a moment?

It is important that, on this issue, we do not reinvent the wheel. If my hon. Friend the Member for Workington has put to my right hon. Friend the Minister of Transport—*[Interruption.]* Conservative Members have finally got the pun. If my hon. Friend has put the issue to my right hon. Friend and he has agreed to look at it, I am sure that he will do precisely that. The issue is properly the preserve of the Department with which my hon. Friend raised it.

Mr. Swinney *rose—*

Mr. Geoffrey Clifton-Brown (Cotswold) *rose—*

Mr. Bercow *rose—*

Mr. Milburn: I shall give way to the hon. Member for North Tayside (Mr. Swinney) and will take the other interventions later.

Mr. Swinney: I am grateful to the Chief Secretary for giving way. I return to the point raised by the hon. Member for South Holland and The Deepings (Mr. Hayes) about the continuation of the fuel duty escalator. Saturday's edition of *The Daily Telegraph* carried a report that the Chancellor had been somewhat stung by the reaction to the fuel duty escalator and was considering not applying it in future Budgets. The Chief Secretary's reference to what was said in the Red Book seemed to contradict that report. Will he clarify what the Government intend and whether the fuel duty escalator will be applied in future Budgets?

Mr. Milburn: If there is a choice between believing what is in the Red Book and what is in *The Daily Telegraph*, I know which I would opt for. It is a matter for the Scottish National party—*[Interruption.]* Well, we know where the Opposition stand, but perhaps they and the SNP are in bed together on this issue; that is for the SNP and the Conservative party to sort out between themselves.

Mr. Clifton-Brown *rose—*

Mrs. Angela Browning (Tiverton and Honiton) *rose—*

Mr. Bercow *rose—*

Mr. Milburn: Who is next? I give way to the hon. Member for Cotswold (Mr. Clifton-Brown).

Mr. Clifton-Brown: I am grateful to the Chief Secretary for giving way. Following up the question asked by my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes), will he confirm that not only has he increased the fuel duty escalator from the originally proposed 5 per cent. to 6 per cent., but that the increase is cumulative? Value added tax is imposed on top of that 6 per cent., amounting to a cumulative increase of about 6.2 per cent. every year. Over 10 years, that would double the duty on diesel. Will he also confirm that the Conservatives, when they introduced the fuel escalator, were committed to its operation only until 2000? The Government have committed themselves to the regime until 2002.

Mr. Milburn: I shall come back to some of the figures that are being bandied about by the hon. Gentleman, and by other Conservative Members, in a moment, but I remind him that Conservative Members were elected on a manifesto at the general election. Indeed, the Conservative party published what it called a green manifesto, which Conservative Members presumably considered to be binding for the remainder of this Parliament. In that manifesto the Conservatives stated:

> "We need to balance the freedoms the car provides and its impact on our environment . . . We will continue to encourage the manufacture of more fuel-efficient vehicles through annual increases in fuel duties."

I presume that that was a promise for the duration of this Parliament. If so, it is yet another promise that the Conservative party, this time in opposition rather than in government, has broken.

Mr. John Hume (Foyle): Does the Chief Secretary realise the damage that the rise in the cost of fuel is doing to Northern Ireland, above all other areas, particularly to the border regions? For example, in my constituency,

for £100 one can buy 139 litres of diesel, but if one goes a mile down the road one can buy 229 litres. Four-star petrol costs 77p a litre in my constituency, where as one mile down the road it costs 62p. Unleaded petrol costs 70p in my constituency, whereas one mile down the road it costs 53p. That is wiping out petrol stations throughout our area. Is the right hon. Gentleman going to do something about that?

Mr. Milburn: I am well aware of the concerns that the hon. Gentleman raises in relation to Northern Ireland. The Government and Customs are both aware of the illegal trade that takes place between the Republic and Northern Ireland. We are also aware of the problems that the illegal trade causes for traders in the north of Ireland. I hear what the hon. Gentleman says and if it would help him and his colleagues, Treasury Ministers would be happy to meet him to hear about his constituents' concerns. I should be happy to organise that as soon as is convenient to him.

Mr. Bercow: The Chief Secretary should know perfectly well that the Conservative party was not committed to percentage increases in the fuel duty escalator at the time of the election. I am happy to parley the point with him at any stage. Does he not accept that the Paymaster General, who is sadly not in her place, has a good deal of explaining to do about why she vigorously opposed the introduction of the escalator at 5 per cent., but is a fanatical enthusiast for it at 6 per cent.?

Given the Chief Secretary's concerns about the dangers of social exclusion, what constructive remark can he make to my 81-year-old constituent, Mrs. Zettl, who lives in the high street of Buckingham and who is infuriated by what has happened? As an elderly pensioner, she works for local charities that cannot afford to reimburse her, and her social life will be greatly undermined as a result of the Government's inconsiderate policy. What does the right hon. Gentleman have to say to her?

Mr. Milburn: What passes between the hon. Gentleman and his constituent is clearly a matter for him. However, I advise him to point out the relative impact of the fuel duty escalators applied by previous Conservative Governments and by the Labour Government. I shall come to that issue in a moment or two. The crux of it is that the increases in prices that took place under the previous Conservative Government, particularly in diesel, far exceed the increase that has taken place under this Government.

Several hon. Members *rose—*

Mr. Milburn: I shall give way to the hon. Member for Tiverton and Honiton (Mrs. Browning) and then I must make some progress.

Mrs. Browning: May I press the Chief Secretary on the answer that he gave to the hon. Member for Workington (Mr. Campbell-Savours)? I have a Devon constituency, where road haulage and distances are critical. It is a matter for the Treasury, whatever the outcome of the inquiry about costs by the Department for the Environment, Transport, and the Regions. We are trying to get a feel for how responsive the Chief Secretary is to the plight of the road haulage industry. Can we take it that he does not agree with the comments of the hon. Member for Ochil (Mr. O'Neill), who told the House last month that the road haulage industry was run by the biggest load of whingers under the sun?

Mr. Milburn: As the hon. Lady is well aware, the Government and the road haulage industry are working in partnership, through the road haulage forum. That is an extremely sensible way to deal with the issues. It is certainly preferable to the disruption that we have seen on the streets of some of our major cities in recent weeks. I hope that no right hon. or hon. Member would condone such disruption. We are considering the competitive position of the industry in discussions with the road haulage forum. We made good progress at our first meeting, and in so far as is possible we shall address the concerns of the industry. I say in all candour to the hon. Lady that that dialogue is far more profitable for the industry than the disruption that we have seen from a minority of militant hauliers who want to hold our inner cities to ransom.

4 pm

Mr. Owen Paterson (North Shropshire): Will the right hon. Gentleman give way?

Mr. Milburn: No. I have given way I do not know how many times, and I want to make some progress.

The Government are continuing to operate the escalator because it will help us to meet the commitments that we made at Kyoto. We all have a part to play in helping to meet those legally binding obligations. Because of the escalator, urban air quality will improve and greenhouse gases will be reduced by between 2 million and 5 million tonnes of carbon a year by 2010. The quality of air in urban areas in particular will be improved because of that. Nationally, road transport is responsible for almost a quarter of particulate emissions and almost half the nitrogen oxide emissions. Diesel is the worst offender, which is why the clause widens the differential between it and other fuels.

Until last week at least, the Opposition supported the escalator. They maintained and increased it. The shadow Chief Secretary, the right hon. Member for Wells (Mr. Heathcoat-Amory), was one of its leading proponents. Incidentally, I notice that he is not present. Just four years ago, during consideration of the 1995 Finance Bill, in the same debate that we are having today, he told the Committee of the House why the fuel duty escalator was such a good idea. He said:

"The 5 per cent. real increases are also an important part of our strategy to reduce carbon dioxide emissions. The fuel duties policy should reduce carbon dioxide emissions by around 2.5 million tonnes of carbon by 2000. This, together with other measures already announced, should enable us to meet our targets of reductions arising from the Rio agreement."—[*Official Report*, 23 January 1995; Vol. 253, c. 98.]

Sir David Madel (South-West Bedfordshire) *rose—*

Mr. Bercow *rose—*

Mr. Graham Brady (Altrincham and Sale, West) *rose—*

Mr. Milburn: I have already given way to the hon. Member for Buckingham (Mr. Bercow), but I have not given way to the hon. Member for South-West Bedfordshire (Sir D. Madel).

Sir David Madel: The right hon. Gentleman has just referred to the quality of urban air. If he is so concerned about it, why have the Government cut the bypass programme to ribbons?

Mr. Milburn: The hon. Gentleman agreed to a green manifesto. At least I presume that he did, because he was a Conservative candidate at the general election. Despite all the difficulties, divisions and the splits inside the Conservative party, at least the Tories all signed up to the manifesto on which they went to the British people at the election.

Sir David Madel *rose—*

Mr. Milburn: The hon. Gentleman has asked a question, and I shall give him the answer. I remind him of what he signed up to at the general election, and I also remind him that the promises that are made at elections should be kept subsequently, whether a party is in government or in opposition.

Mr. Bercow: On a point of order, Sir Alan. Is it in order for the Chief Secretary to criticise my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) for his absence from our considerations when he must be aware that my right hon. Friend is attending a sitting of the Joint Committee on the Financial Services and Markets Bill?

The Chairman of Ways and Means (Sir Alan Haselhurst): Order. The hon. Gentleman has said enough for me to know that that is not a point of order.

Mr. Milburn: It was not even a good try, Sir Alan.

In response to the question of the hon. Member for South-West Bedfordshire, I shall quote back to him what the Conservative party agreed to at the general election and what it put before the British people. Its green manifesto stated:

"We need to balance the freedoms the car provides and its impact on our environment. We need to consider new ways to break the link between desirable economic growth and undesirable traffic growth."

That is what Conservative Members signed up to then, but apparently they do not believe it now.

Several hon. Members *rose—*

Mr. Milburn: I shall give way to the hon. Member for North Wiltshire (Mr. Gray) and then I really shall make some progress.

Mr. James Gray (North Wiltshire): In the quote that the Minister gave from my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) reference was made to the year 2000, which was a good reason for having the escalator in the first place. By then, we wanted to move towards achieving our Kyoto commitments. Does not the Minister realise that there is almost no elasticity in petrol or diesel usage, and such elasticity as there is will have been achieved by the escalator to date. The year 2000 is in six months from now. Does the Minister agree with me that the escalator has done its job and we have achieved our Kyoto commitments?

Mr. Milburn: No, I do not believe that for a moment. I shall return shortly to precisely that issue—the implications of the Opposition's abandonment of their commitments to environmental objectives that were formerly a matter of cross-party consensus. We supported the then Government when they signed up to their commitments at Rio, and thankfully—we are grateful to them for this—they, as the Opposition, supported our commitments when we signed up to them at Kyoto. Now all that seems to have been dissipated.

We have not achieved our aims. That is precisely the point. The number of children with asthma continues to increase, especially in urban areas; pollution continues to increase; dirty lorries continue to have a harmful impact on air quality and the environment. The idea that we can simply wish all that away is the worst sort of political wishful thinking.

Mr. John Burnett (Torridge and West Devon): Will the Chief Secretary give way?

Mr. Milburn: I will make a little progress, if I may. I shall take interventions in a moment or two.

We are not talking just about the issue as it affects urban areas. At least one Conservative Member has mentioned the impact of the fuel duty escalator on rural areas. Let me say two things to the Opposition. First, I agree with the right hon. Member who told the House four years ago:

"I know that a car is often a necessity"—

for those who lived in the countryside, he meant—

"but all motorists must think about the environmental consequences of what they do."—[*Official Report*, 23 January 1995; Vol. 253, c. 103.]

Again, that was said by the present shadow Chief Secretary to the Treasury. What he agreed with then he apparently opposes now, so both he and the Conservative party are on desperately thin ice when it comes to defending the interests of the countryside and of rural motorists. What is more, the present Government—unlike the last—not only recognise the transport needs of rural areas, but have taken action to meet them.

Mr. Francis Maude (Horsham): Is the Chief Secretary seriously incapable of understanding the difference between an escalator of 5 per cent., introduced when Britain had about the lowest fuel prices in Europe, and an escalator of 12 per cent. operating when we had easily the highest?

Mr. Milburn: I am afraid that the right hon. Gentleman needs to revisit his figures. I shall read them to him shortly.

The truth is that, under the Conservative party, the increase in diesel prices because of the fuel duty escalator was not 5 per cent. at all: it averaged 10 per cent. during the last three years of Conservative Government. If the right hon. Gentleman wishes to bandy figures he is welcome to do so, but, again, he is on desperately thin ice.

It is not even as if the Conservatives stopped supporting the idea of environmental taxes the moment they left office. Quite the reverse. When we took office and announced that we were continuing the escalator policy

introduced by the Tories—and, indeed, raising it in our first Budget—the Leader of the Opposition told the House:

"we welcome the Chancellor's continued use of tax for environmental purposes."—[*Official Report*, 2 July 1997; Vol. 297, c. 323.]

The present Government believe that the Leader of the Opposition was right to believe that the taxation system can and, indeed, should be used to achieve our environmental objectives. The only difference between then and now is that the Tories want to disown now what they proclaimed then.

The Tories claim that the reason that the escalator should be abandoned now is that either it has gone too far, or it has done its job. They say that the extra 1 per cent. that the Government have added to it has made it unaffordable, and has wreaked untold damage on, in particular, the haulage industry. That is baloney of the highest order.

As I told the House last week, the price of a litre of diesel has risen less under this Government than under the last. The facts are these, according to the *Digest of United Kingdom Energy Statistics*. In December 1996, after the previous, Conservative Government's last Budget, the price of a litre of diesel rose to 62.59p. After this Government's first Budget, in July 1997, the price rose again, to 63.44p. The latest figures, for March 1999, show that the price is now 69.76p. The increase has been about 7p per litre. By contrast, under the Conservatives, the price rose by 26p per litre.

I should remind the shadow Chancellor and other Conservative Members of one other fact. The last five duty rises under the Conservatives added, respectively, 10 per cent., 10 per cent., 13 per cent., 10 per cent. and 7 per cent. to the price of diesel. In other words, the party that introduced the escalator—and is responsible for it having the greatest impact on fuel prices—now opposes it. A party that adopts such a position deserves to be called hypocritical. But that is not all.

There are two major implications of the Conservatives' latest policy twist. First, Conservative Members' claim to support a cleaner environment has been exposed for exactly what it is: warm words with absolutely no substance. Although the Tories supported the Government when we made our legally binding obligations at Kyoto, their abandonment of the escalator leaves them professing support for our environmental objectives, but opposing the means of achieving them. Presumably they believe that environmental improvements will simply look after themselves.

I should remind Opposition Members today, as I reminded them last week, of what the former Chancellor of the Exchequer, the right hon. and learned Member for Rushcliffe (Mr. Clarke), had to say about that issue. He said:

"Any critic of the Government's tax plans who claims also to support international agreement to curb carbon dioxide emission will be sailing dangerously near to hypocrisy."—[*Official Report*, 30 November 1993; Vol. 233, c. 939.]

Mr. Gray: Will the right hon. Gentleman give way?

Mr. Milburn: No.

Hypocrisy characterises the Opposition's position in a second way. The fuel duty escalator raises about £1.5 billion annually. The Tories' abandonment of the escalator contributes to the £6 billion black hole in their spending plans caused by their opposition to key Budget measures. Moreover, they voice that opposition less than 24 hours after the shadow Chancellor said that the Tories would match our spending plans on health and education. Therefore, one shadow Treasury Minister is saying one thing—more money for schools and hospitals—whereas another shadow Treasury Minister is saying another—less money for schools and hospitals.

Conservative Members are all over the place on the issue. They describe Labour's spending plans as reckless, but then say that they agree with them. Yesterday, they said that they wanted to match our spending on schools and hospitals; today, they will be voting to take cash from those schools and hospitals. It is chaos laced with hypocrisy.

By voting against clause 2 stand part, Conservative Members will be failing to put their money where their mouth is. Their figures simply do not add up, and no amount of double-talk can disguise the fact that they cannot be trusted either with public spending or with Britain's public services.

The Opposition's credibility is also not enhanced by the ludicrous claims that they are making about the impact of the fuel duty escalator on the haulage industry. I repeat what I said last week in the House: the Government recognise and appreciate the contribution that the UK haulage industry makes to our economy. We also recognise that, by international standards, the industry is a highly competitive one. However, it suffers from problems of over capacity and inefficiency.

The best UK haulage fleets are better than any others in the world. However, there are also enormous variations in performance. According to the industry's very own figures, the best UK haulage companies are almost twice as fuel efficient as the worst. No one disagrees with the fact that there is considerable scope for many British hauliers to reduce their fuel consumption. The need to become more fuel efficient has been heightened by growing public concerns about the environmental costs that hauliers impose in their use of lorries. Road freight distribution is one of the fastest growing causes of air pollution, accounting for one third of the 35 million tonnes of carbon that result from vehicle use. It is right and proper that everyone, including hauliers, should play a part in reducing such emissions.

4.15 pm

Mr. David Drew (Stroud): The case that my right hon. Friend is making is interesting, but does he share my concern that, as well as examining the road haulage industry, we should consider inventory policy? One of the key reasons why there are so many vehicle movements is the "just in time" system, which has been an environmental disaster in many respects.

Mr. Milburn: The industry and the Government agree that there are simple and straightforward steps that road hauliers can take to improve their performance. The representatives of the industry are discussing those issues with the Government now. Less empty running, better driver training, better logistics management and the use of cleaner engines will all make a difference to the haulage industry's fuel consumption.

[Mr. Milburn]

As I have said, the gap between the best and the worst is alarming—and closing that gap is in the hands of the industry itself. I am sure that provided that we can achieve agreements between the industry and the Government in the road haulage forum, we can begin to make progress in the direction that my hon. Friend would like.

The Government openly acknowledge that there is a balance to be struck between environmental objectives and the needs of the industry. We have established the road haulage forum to allow us to hear the industry's concerns, and, where possible, to deal with them. Dialogue rather than disruption will best serve the industry. Similarly, the industry will be best served by keeping a comfortable distance between itself and the Opposition. [HON. MEMBERS: "Oh."] After all, it was the Conservative party that drove almost 5,000 hauliers out of business during the recession that it created in the late 1980s and early 1990s.

Mr. Andrew Lansley (South Cambridgeshire) *rose—*

Mr. Milburn: The hon. Gentleman has just come into the Chamber. He was not here for the start of my speech, and he should have been, so I shall make him wait a moment or two.

Mr. Paterson *rose—*

Mr. Milburn: The hon. Member for North Shropshire (Mr. Paterson) has been here from the beginning; he has been patient.

Mr. Paterson: Can the Minister square his comments on the environment with the evidence that I have received from the Library that in 1990 Britain's carbon emissions amounted to 159 million tonnes, of which only 30 million came from road transport? Of that 30 million tonnes, only 16 per cent. came from freight. The maximum estimate is therefore that 5 million of the 159 million tonnes came from road haulage. As there is no evidence that the number of loads carried has been reduced, where does the Minister get his environmental conclusions from?

Mr. Milburn: I get my conclusions from the figures, which I recited earlier. Unlike his hon. Friend, the hon. Gentleman has been present for the whole debate. I presume that he was listening to what I said, but I shall repeat it for his benefit: road freight distribution is one of the fastest growing causes of air pollution, accounting for one third of the 35 million tonnes of carbon that result from vehicle use. If the hon. Gentleman wants to go away and check his figures, he will find that mine are right.

Mr. Brady *rose—*

Mr. Milburn: No, I am not giving way. I want to finish now.

It is simply wrong to say, as the Opposition allege, that the escalator makes it impossible for United Kingdom hauliers to compete with foreign hauliers. One would be hard pressed to find any United Kingdom industry—

Mr. Jonathan Sayeed (Mid-Bedfordshire) *rose—*

Mr. Milburn: I am not giving way.

Mr. Paterson *rose—*

Mr. Milburn: I have made it clear that I am not giving way. I have given way on countless occasions, and frankly , I wish that I had not—[HON. MEMBERS: "Oh."]—given the baloney that I have heard from the Conservatives. I am certainly not about to give way again.

One would be hard pressed to find any United Kingdom industry more dominated by domestic providers than the road haulage industry. Of course we know that we pay more for diesel in this country than continental companies do, but they pay far more in corporation tax and labour costs. The tax burden here is lower than that in other major European countries. They have motorway tolls; by and large, we do not. Once all those factors are taken into account it is clear that moving out of the United Kingdom would be an expensive business for haulage firms.

A typical firm, with 50 articulated lorries, would face higher business costs of nearly £400,000 a year in France, £600,000 a year in Holland and more than £800,000 a year in Belgium. So, contrary to the irresponsible claims from Conservative Members, Britain is the best place for hauliers, especially as a result of the help that the Budget gave to the haulage industry.

Mr. Paterson: No.

Mr. Milburn: Instead of yelling, the hon. Gentleman should start listening. He might learn something.

The most fuel-efficient, road-friendly vehicles—and the companies that operate them—stand to gain from the package that my right hon. Friend the Chancellor announced on Budget day. That package includes the duty cut on cleaner, ultra-low sulphur diesel relative to ordinary diesel; the duty cut on road fuel gases enshrined in this clause; the freezing of vehicle excise duty for 98 per cent. of lorries, to which we shall return later in our deliberations; the doubling in the vehicle excise duty reduction for lorries meeting lower emission standards; and the cuts in red tape to allow lower-weight lorries to qualify for lower level vehicle excise duty. There are also, of course, the cuts in corporation tax, which have been welcomed so warmly by the business community.

The Government's approach will help the road haulage industry and improve the environment. There is a balance to be achieved between the industry's needs and the country's environmental needs. The fuel duty escalator helps to get that balance right.

Until last week, the Conservatives supported getting that balance right. What they argued for in government, they now argue against in opposition. Their position is irresponsible, unprincipled and hypocritical. It deserves short shrift from the Committee and I urge it to support the clause.

Mr. Maude: I start, as usual, by declaring the outside interests disclosed in the Register of Members' Interests.

The Committee will have listened to the Chief Secretary's speech with astonishment. His assertion that the road haulage industry is grateful to the Government

for the help that they have given is one of the most remarkable ever made by a Minister in the House. I am surprised that the right hon. Gentleman had the nerve and the gall to make it.

The huge rise in road fuel duties lies at the heart of the Budget, which was launched in such a blaze of chest-beating glory by the Chancellor. The Chancellor has rarely been seen since, but the Budget has fallen apart under the weight of scrutiny.

It is not surprising that the public are increasingly angry at the lies told about the Budget. They are angry with a Chancellor who claimed that it was a Budget for families while abolishing the last recognition of marriage in the tax system. They are angry with a Chancellor who claimed that it was a Budget for enterprise while increasing tax on business by £3.2 billion. That is the help for business for which business is supposed to be so grateful. Some kind of help that is.

Most of all, however, the public are angry with a Chancellor who claimed that it was a Budget of tax cuts, even though taxes are to go on rising by stealth. Figures from the House of Commons Library show the truth. Taxes will rise by £40.7 billion over this Parliament, and by £7.1 billion in the current financial year alone. That is the effect of the Government's stealth tax increases, the hidden tax rises that they hoped no one would notice. The rises amount to £1,500 for every taxpayer.

All that is after the Prime Minister promised before the election that there were no plans to increase taxes at all. After this Budget, no one will ever believe a word that the Labour party says on tax. The Government have broken their promises on tax not once, but again and again and again. It is in the context of an ever-rising tax burden that we must consider the massive increase in tax on petrol and diesel under Labour. There is a limit to the number of times that Labour can clobber motorists with massive tax hikes and hope to get away with it. That limit has been exceeded. Petrol and diesel are far more expensive in Britain than anywhere else in Europe. It is time that the Government recognised that their policies are doing great damage to motorists.

Mr. Campbell-Savours: The right hon. Gentleman will recall that a number of increases in duty on DERV occurred under previous Conservative Governments. I opposed those increases, and the Freight Transport Association sent delegations to make protests to Conservative Ministers. Can the right hon. Gentleman explain why he failed to take those protests into account, rather than implementing increases that he knew in his heart to be wrong in principle?

Mr. Maude: If increases were wrong then, how much more so are they now. The escalator was introduced—I said this earlier, and the Chief Secretary did not contest it—at a time when Britain had about the lowest priced fuel in the European Union. Now, however, our fuel prices are the highest by a large margin. If the hon. Gentleman was right to oppose what was done then, I assume that he will vote with us against the Government's stunning 12 per cent. increase on DERV and the increase on petrol.

Mr. Campbell-Savours: The right hon. Gentleman has twice said that Britain under the Conservatives had the lowest priced fuel in the European Union. Can he name one country in which the price charged for diesel was higher when the Conservatives were in power? France? Italy? Germany? Belgium? Holland? Spain? Can he name just one?

Mr. Maude: My understanding is that we had about the lowest price. Certainly, the then Chancellor believed that—*[Interruption.]*—and I hear confirmation from my hon. Friends.

Mr. Campbell-Savours: The right hon. Gentleman is wrong.

Mr. Maude: The hon. Gentleman is not helping his case. If we already had more expensive fuel then, the case for opposing the Government now is even stronger. He is building ever higher the case against the wretched clause 2, which is doing such damage. For all the arrogant insouciance of the Chief Secretary, the Government should acknowledge that they are crippling the competitiveness of the road haulage industry. The tax increases have gone beyond any environmental justification. They should accept our view that the annual road fuel escalator should be scrapped. Conservatives will vote against the road fuel duty increases, and we urge the Government to abolish the escalator.

Yvette Cooper (Pontefract and Castleford): Given that the right hon. Gentleman opposes the fuel escalator that he once supported, and given that he claims to support the extra £40 billion for health and education, which he previously described as reckless and irresponsible, how does he make his sums add up? If the fuel escalator were abolished, where would he find the extra money for health and education?

Mr. Maude: We expect a little more from the hon. Lady than that she should tamely read out junk mail from Labour party headquarters. Last July, in responding to the Chancellor's spending plans, I said—*[Interruption.]* The Chief Secretary is becoming very excitable, but I hope that, in view of what I said last night, and 10 months ago, he will refrain in future from—I must find a parliamentary way to express this—the deliberate distortion of our position. Last July, I said:

> "The Chancellor hopes that we will oppose his plans to spend more money on health and education, but I am going to disappoint him. Let there be no doubt that we welcome extra money for those priority services."—[*Official Report*, 14 July 1998; Vol. 316, c. 196.]

We supported the increases then and have done so ever since. I would be grateful if the hon. Lady had the decency to refrain from repeating that smear and distortion.

Yvette Cooper *rose—*

The Chairman: I call Yvette Cooper.

Mr. Maude: I shall give way to the hon. Lady if she is prepared to withdraw what she said earlier and commit—

The Chairman: Order. We are in danger of confusion. Despite my calling the hon. Lady, I do not think that the right hon. Gentleman has given way. I call Mr. Maude.

4.30 pm

Mr. Maude: I will cheerfully give way, with the qualification that the hon. Lady should withdraw what she said and commit herself to refraining from deliberate distortions and smears.

Yvette Cooper: Does the right hon. Gentleman deny that he told the House of Commons that the comprehensive spending review, which involved £40 billion extra spending on health and education was "reckless" and "irresponsible"?

Mr. Maude: The hon. Lady should know better than that. Yes, I said that the overall spending settlement was reckless and irresponsible, and that is because it breaches the Prime Minister's solemn general election pledge to cut the social security bill. Will she tell the Committee that he never said that? The comprehensive spending review involves an increase in social security bills equivalent to the extra spending that we support on health and education put together. How is the extra £37 billion on social security consistent with the solemn pledge to cut social security bills?

Yvette Cooper: Does the right hon. Gentleman agree that the previous Government increased social security spending rapidly and that cutting social security bills is exactly what has allowed the Government to put extra money into pensions and child benefit? Given his concentration on the social security budget, what exactly does he want to cut—child benefit, pensions, or what?

Mr. Maude: The best advice to the hon. Lady is, "When you are in a hole, stop digging." The lesson that she should learn from this is that she is okay with the first handout from Millbank tower, but beyond that she gets into serious difficulty. It was not the Conservative party, but Labour, that made a solemn general election pledge to cut social security bills. She should ask the Prime Minister what he plans to cut in the social security budget. It is his failure to cut it that makes the total spending plans irresponsible.

When we introduced the fuel escalator in the previous Parliament, petrol and diesel prices in Britain were among the cheapest in Europe. Labour increased the escalator by a fifth, and brought forward the increases from November to March.

Mr. Paterson: According to evidence given to me by Brian Yeardley—the only haulier mentioned in the famous KPMG report—in 1994 only Luxembourg and Spain had cheaper diesel than the United Kingdom.

Mr. Maude: I am grateful to my hon. Friend.

Mr. Tony McNulty (Harrow, East): The right hon. Gentleman said that it was the cheapest.

Mr. Maude: The record will show that I said, "around the cheapest". The disclosure that there are two countries with cheaper fuel bears that out.

From the basis introduced by the previous Government, Labour has increased the escalator by a fifth and brought forward the increases from November to March. Petrol and diesel prices in this country are now the highest in Europe. It is time to get off the escalator. The Conservatives realise that, when one gets to the top of an escalator, it is sensible to get off. We recognised the problems that ever-rising duty was causing to our drinks industry, so we acted to deal with them. In our last two Budgets, my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) froze duty on beer and wine and cut it on spirits. He recognised that we could not continue remorselessly loading burden on burden for ever. The Government face a much worse problem that has been imposed on the road haulage industry and the motorist by the road fuel tax. Their policies are doing real damage, but Ministers' only response has been to insult the hard-working people in the haulage industry, do nothing and hope that the problems will go away. Well, they will not.

Mr. Shaun Woodward (Witney): I wonder whether my right hon. Friend has in mind family businesses such as Betts and Co. in my constituency, which started in 1929, runs about four vehicles and has a turnover of £500,000 a year. Last year, despite that very good turnover, it made a profit of only about £15,000. This year, as a consequence of the increases that the Government are introducing, it is projected to lose about £5,000. The firm is far too small to think about moving abroad. It is suffering because of the increase in fuel duties. I am sorry that the Chief Secretary refused to take an intervention from me earlier on this matter. Does my right hon. Friend agree that the Government are deaf to such companies and that this sort of thing could undoubtedly put such companies out of business?

Mr. Maude: My hon. Friend makes the point strongly. It is precisely that sort of case that has led the Freight Transport Association to call the rise in fuel prices "crackpot, cock-eyed and ridiculous". The Road Haulage Association claims that the British trucking industry

"is being forced into exile by penal increases in taxation."

The CBI has weighed in as well. As we know, it is not an organisation particularly prone to criticising the Government. It says:

"The CBI believes this policy is placing British business at a disadvantage."

No doubt it is ignorant, useless and uncompetitive in the eyes of the Chief Secretary. It says:

"For some, bankruptcy may be unavoidable, while others may find it necessary to travel the extra miles to fill up outside the UK, or relocate altogether,"—

is this fantasy from the CBI as well?—

"to the detriment of local filling stations and local economies. The costs for those based in regions such as Scotland and Wales,"—

perhaps of particular interest just at the moment to the Chief Secretary and his colleagues—

"who have less opportunity to take advantage of the cheaper diesel available on the Continent and who have further to go to reach Continental markets, could also rise disproportionately. . . . Either the road fuel duty escalator should be halted, or its impact on the commercial freight sector should be mitigated."

No doubt that is all nonsense as well—another lot of hopeless people who are getting it all wrong. The fact is that the Government are failing to listen even to people on their side, including the hon. Member for Workington (Mr. Campbell-Savours).

Another hon. Member said:

"Countless local road hauliers have talked to me about the road fuel duty . . . I know that many of them have real problems. the problems are not confined to road hauliers; large swathes of manufacturing industry are beginning to be hit by the tax . . . Common sense says that we must take our foot off the escalator at some time".—[*Official Report*, 20 April 1999; Vol. 329, c. 764.]

That was the hon. Member for Dudley, South (Mr. Pearson) in this Chamber last week. He is right. If only more Labour Members had the courage to speak out in defence of some of the poorest people in their constituencies, who find petrol prices are now spiralling out of their reach, and firms that face being literally priced out of business.

One of my hon. Friends mentioned earlier the story in the newspapers at the weekend, which must have been placed by Treasury sources to try to head off the concern that is mounting day by day. It is headed "Brown in U-turn on petrol duty". It says:

"Ministerial sources said yesterday that the fuel duty escalator was likely to be phased out or dropped in next year's Budget."

It will be interesting to hear from the Chief Secretary whether that is a correct bit of briefing or just another decoy to detract attention from the mess that the Government have made of this policy and the damage that they are inflicting day by day. The Chief Secretary smiles in a merry way, but plenty of his constituents are suffering as a result of the escalator. I hope that he will confirm that the Government will take the advice that they have been given, by not just the Conservative party, but plenty of people outside the House of Commons, that it is time now to call a halt to the road fuel escalator.

Mr. Christopher Leslie (Shipley): I want to ask the right hon. Gentleman a simple question and I hope that I can get a simple, straight answer. Is his commitment to oppose any increase in the road fuel duty not just for this financial year but, say, for the next four?

Mr. Maude: One expects a simple question from the hon. Gentleman. My commitment is exactly as I have stated it; we oppose the increase this year and we believe that the road fuel escalator should be abandoned. I do not know whether the hon. Gentleman is trying to say that he thinks that the same rate should continue in future. Does he believe that?

I have stated our position clearly; it has at heart the interests of competitiveness and enterprise in this country.

Mr. McNulty: At the risk of receiving the same unnecessary abuse, may I ask an equally simple question? Last Wednesday—not that long ago—the right hon. Gentleman supported a lengthy Opposition motion on the taxation of the road haulage industry, which made no mention of getting rid of the escalator; why not?

Mr. Maude: I know that the hon. Gentleman is new to the House of Commons, but he should understand that we are discussing the Finance Bill. We are talking about a Government commitment that is imposing grave damage—

Mr. McNulty: Where is the right hon. Gentleman's amendment?

Mr. Maude: On the same day, we announced our plans to move off the road fuel escalator. My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) said that clearly during his speech in last week's debate.

Mr. McNulty: Will the right hon. Gentleman give way?

Mr. Maude: I shall not give way again. I have made the point quite clear. We made it as clearly as we could in the debate. If the hon. Gentleman was not paying attention at that time, that is his problem; he can check *Hansard* if he wants to do so.

The Government should accept that their policies are causing hardship now; it is not enough merely to utter warm and reassuring words about the possibility of doing something next year. The problem exists now. The Government have made a mistake now and they should scrap the escalator now.

Mr. Swinney: The right hon. Gentleman might have heard the comments made earlier in relation to *The Daily Telegraph* article to which he referred. Based on the Chief Secretary's remarks, would it be fair to assume that the comments in the Red Book stand and that, over the weekend, the Government have been involved in some meddling to try to take the heat out of this debate, when, in fact, their intention is to maintain the fuel duty escalator for the remainder of this Parliament?

Mr. Maude: The hon. Gentleman might be making a mistake by placing any reliance on what is contained in the Red Book, which is now a means to obfuscate the truth, not to illuminate it in the way that it has done in the past.

Duty on petrol rose by 4p a litre in the Budget, following increases of 4p and 4.5p in the Labour Government's first two Budgets. Overall, the average motorist is now paying more than £150 a year extra in petrol tax as a result of the fuel duty increases in those Budgets. The latest Budget alone cost drivers £50 a year—a stealth tax of £1 a week. Under Labour, petrol prices are now the highest in the European Union, and the proportion of the price of a gallon taken in tax by the Chancellor is now as much as £8.50 in every £10. Excise duty—

Mr. Derek Twigg (Halton): Will the right hon. Gentleman give way?

Mr. Maude: I have given way a great deal and I want to make some progress. If the hon. Gentleman persists, I shall give way in a little while.

Rural motorists and the least well-off are especially hard hit by these vindictive tax increases. We know that, when he can remember which day of the week it is, the Deputy Prime Minister thinks that owning a motor car is a luxury—for everyone except him, of course; for him, owning two gas-guzzlers is an absolute necessity. However, a car is an absolute necessity for people who live in rural areas; it is not a luxury. I point out to the Chief Secretary that those people are deeply insulted by Government rhetoric that depicts them as selfish and irresponsible when, in reality, most people in the countryside cannot get by without a car.

Let there be no mistake that these massive tax hikes hit the poorest people hardest. Many of those people mistakenly believed that the Labour party was on their side at the last election, but they now find that they are taxed ever more heavily. We understand why they feel

[Mr. Maude]

betrayed by a Government whose members promised, before the election, that they had no plans to increase taxes, but who have been piling taxes on motorists ever since. That is why we shall vote against petrol tax rises.

It is not only car owners who are concerned. British truckers have seen diesel duty increase by a massive 12 per cent. in the Budget—that is 6p extra per litre.

4.45 pm

Mr. Twigg: The right hon. Gentleman has complained about stealth taxes and has referred to the situation now. Will he take this opportunity to make a clear promise and rule out the idea that his party will ever introduce a road fuel escalator at the next general election or at any other time in the future?

Mr. Maude: I have stated our position clearly. People will be pretty insulted to find that the hon. Gentleman is trying to make cheap debating points about a time after the next general election, while businesses and motorists face extinction today. If he can only make cheap points while people are losing their jobs and livelihoods, it will confirm people's opinion that his party does not care about business or about the livelihoods of hard-working people.

Mr. Milburn: Does the right hon. Gentleman agree with the green manifesto that his party published at the last general election?

Mr. Maude: I fought the election on that manifesto. The fact is that an escalator was introduced when our petrol and fuel prices were among the lowest in Europe. We always said that there was a place for an escalator, until we reached the point at which it inflicted grave and excessive damage—then we needed to get off it. The point at which the escalator is doing disproportionate harm has now been reached, and exceeded—*[Interruption.]*—The Chief Secretary fails to take account of the fact that his Government activated the escalator three times during their first two years in office, and at a rate considerably in excess of that committed to under the Conservative Government. That is why the top of the escalator has now been reached and the escalator should be abandoned.

Mr. Twigg: Will the right hon. Gentleman give way?

Mr. Maude: No, I shall not give way any more. I want to make some progress.

Diesel duty in Britain is now the highest in the EU—by a considerable amount.

Mrs. Teresa Gorman (Billericay): Will my right hon. Friend give way?

Mr. Maude: If my hon. Friend will forgive me, I shall carry on.

It is no wonder that scores of companies have complained that they face a huge competitive disadvantage compared to their continental counterparts. *[Interruption.]* Discount is scoffed at and sneered at by the Chief Secretary because he does not care about that. Companies are being forced to flag out their operations. The industry has warned that thousands of jobs will be lost unless something is done to reduce the ever-rising taxes on hauliers. Those who suggest that there are still environmental justifications for continuing those increases should consider some recent research by the Centre for Economics and Business Research Ltd. The calculations in that research show that

"road usage will be reduced by 0.51%"

following the increase, but that the impact on the economy will be a loss of nearly 12,000 jobs. The environmental justification for the escalator has now completely disappeared.

What is the Government's response to the legitimate, serious and heartfelt concerns expressed by so many people? It makes matters worse that Ministers seem utterly ignorant of the problem. The Financial Secretary claimed that lorries do about 40 miles to the gallon—the actual figure is less than 10 miles. Last week, the Chief Secretary said:

"The truth is that the price of a litre of diesel has risen by 7p since the general election."—[*Official Report*, 21 April 1999; Vol. 329, c. 929.]

He has said that again today, but it is simply not true. The price of a litre of diesel has actually risen by about 14p since the election, and the proportion of the price of diesel taken in tax has risen from 76 to 86 per cent. since May 1997. The Chief Secretary's approach is symptomatic of the Government's arrogant attitude to the problems caused by their policies.

Mr. Milburn: I presume that the right hon. Gentleman was listening to what I said. I reiterated the figures that I gave last week. When he says that the price of diesel has increased by 14p, that is simply wrong. He should look at the statistics produced by the *Digest of United Kingdom Energy Statistics*—the official bible in relation to these issues. He will find that the allegation that he has just made is misplaced—as is the allegation made to me in writing by his right hon. Friend the Member for Wells (Mr. Heathcoat-Amory).

Mr. Maude: I continue to assert that what the Chief Secretary said was wrong and that my assertion is correct. We can argue about the facts and see what results.

Rev. Martin Smyth (Belfast, South): Will the right hon. Gentleman give way?

Mr. Maude: I am aware that the hon. Member for Belfast, South wants to make a point about the situation in Northern Ireland, so I shall give way to him.

Rev. Martin Smyth: As one who has been privileged to sit on the Opposition Benches facing both a Tory Government and a Labour Government, I know that it is part of the Opposition's job to press the Government. Dare I suggest that the right hon. Gentleman's argument, that it is time to stop and think again, is the same one that was applicable when, to deal with health issues relating to tobacco, we imposed higher taxes instead of limiting advertising? When the Chief Secretary spoke about Britain, were his remarks not a reflection of little England? People living around the south coast, in Scotland, Wales,

northern England and Northern Ireland are suffering greatly. Firms are going out of business and, ultimately, social security costs will have to rise.

Mr. Maude: The hon. Gentleman makes the point powerfully and forcefully, and he is absolutely right. Sadly, the Government are not ready to listen to representations from all parts of the country. The problem becomes more intense the further away one gets from the prosperous south-east of the country.

The Chief Secretary's approach is typical of the Government's arrogant attitude to the problems caused by their own policies. They say that British hauliers need to sharpen up their act and they have the cheek to lecture businesses, saying that there is a problem with the haulage industry; the Chief Secretary repeated today the view that the industry's problems are of its own making. Do the Government realise how enraging it is for Britain's hauliers to be lectured about their supposed lack of competitiveness by Ministers with not a day's experience in business between them? Britain's hauliers operate in one of the most competitive markets in the world—they know the problems they face, and they know that one of their biggest problems is a Government who are ignorant of how to encourage successful businesses.

The Government also claim that the tax increases do not really matter because the British haulage industry is still more competitive than its continental counterparts—as though that gives them the right endlessly to continue to tax hauliers until their competitive edge has been completely eroded. The Government point to the famous KPMG report and claim that it shows the competitiveness of UK haulage. That report was not a report on road haulage at all, and it does not even address the point raised by the hon. Member for Workington about the cost of haulage per mile in this country. It is of some interest that Mr. Brian Yeardley, a haulier cited in the KPMG report, has been forced to flag out by the crippling tax increases imposed by the Labour Government. He says:

"The Chancellor has ensured that we are uncompetitive against foreign hauliers".

Mr. Yeardley cannot be expected to know—after all, he is running a business, not sitting fatly on the Treasury Bench pontificating on the subject. He adds:

"Each of our vehicles must earn seventeen thousand pounds more annually than our European competitors to cover these extra tax costs."

Is he wrong about that as well?

That is exactly why there is a problem, and it is why, last week, my hon. Friend the Member for North Essex (Mr. Jenkin) invited the Government to publish a proper report on the competitiveness of the British road haulage sector. Ministers have consistently refused to commission such a report and, despite the issue being raised last week, when the Chief Secretary was pressed on it today, he was unable to say definitively whether such a commission had been raised. The Government simply do not want to know the truth.

The Government should not take only our word for the problems being faced; they should listen to what hauliers themselves have said. I hope that, when they do that, Ministers will take a slightly less offensive attitude toward hauliers than the hon. Member for Ochil (Mr. O'Neill), the Chairman of the Select Committee on Trade and Industry. During the Budget debate, he said:

"Most of us who have been in the House for any time know that the road hauliers are the biggest crowd of whingers under the sun."—[*Official Report*, 10 March 1999; Vol. 327, c. 419.]

Will the Chief Secretary take this opportunity to dissociate the Government from that grossly offensive statement, which has given enormous offence to many hard-working people who are struggling, against odds multiplied by the Labour Government, to make a living?

Mr. Derek Twigg: Will the right hon. Gentleman give way?

Mr. Maude: No. The hon. Gentleman fluffed his chance last time and I shall not give him another.

The Government should listen to the chairman of the Road Haulage Association, who said:

"When we put Tony Blair's Government into power, they created the illusion that they were going to be the party of small businesses. What happened is exactly the opposite. They are destroying our industry and destroying small family businesses that have been going for many years and causing enormous distress when people are losing homes that they have spent their entire lives working for."

He must be someone else who does not know what he is talking about. The Government should listen to companies such as Ferguson, whose representative writes:

"Nissan informed me that we had been unsuccessful in our bid for a contract which they had decided to award to a Dutch company purely on the basis of price . . . we are unable to maintain a competitive edge in the UK, let alone Europe."

I have plenty more quotations from hauliers who have had an extremely rough time under a Labour Government who will not listen to them. The saddest of all comes from Mr. Gary Reeve, who comes from the Prime Minister's own constituency. He says:

"I am having to battle for the survival of my company which employs 18 people."

He wrote to his local Member of Parliament—the Prime Minister—asking for help and received a very helpful reply from the Foreign Office which began:

"Thank you for your letter showing interest about the situation in Kosovo."

That is about as helpful as the letter written by the Minister for Roads and Road Safety, Lord Whitty. He responded to a road haulier's complaints about the tax increase on diesel with a rare and special sensitivity, replying:

"All hauliers who operate internationally can take advantage of lower prices elsewhere."

That means, "Push off, get on with it, don't bother us—we don't care about you." The industry and small businesses are entitled to expect better from a Government who promised them so much.

The huge increases in diesel tax mean that truckers are carrying a competitive millstone: not only are they paying far more in road fuel duty, but they have been clobbered by the virtual doubling of road tax. In that respect, we have made some practical proposals to help the industry with the introduction of the Brit disc—a useful idea, which would make a significant difference. It was casually dismissed out of hand by the Deputy Prime Minister during his infamous appearance at the Dispatch Box two weeks ago; the best we can hope for is that he

[Mr. Maude]

thought he was dismissing some other proposal. I hope that Ministers will reconsider that intemperate response to a sensible suggestion, because it is a simple and serious proposal which would make a start on helping the road haulage industry.

The Government promised not to raise taxes, but they have broken that promise. They promised to listen to the voice of business, but they have ignored the voice of business. They promised to support hard-working people, but they have loaded them down with a devastating burden. It is not surprising that the Chancellor never comes to the House to defend his policies or even to debate them. It is not too late for this arrogant Government to think again. Unless they are willing to do so, I urge the Committee to vote against the clause.

Mr. Campbell-Savours: I rise to make an unashamedly constituency speech today, because I feel strongly about the issue—to which I am not new. Over the years, I have argued repeatedly in favour of low fuel costs for Britain's commercial haulage operators. On several occasions, I wrote to Treasury Ministers of the previous Government objecting to the increases in the costs of DERV, and I did so on behalf of constituent hauliers who were being unfairly penalised by such increases. I want to make it clear at the outset that I am not opposed to the escalator. I am in favour of the escalator, but I am opposed to its being used in respect of DERV for commercial vehicles, and I believe that commercial vehicles should be exempted.

The reason for my opposition is derived from personal experience. In the 1960s and 1970s, before I was elected to Parliament, I half-owned a manufacturing company in Lancashire. We had a fleet of two articulated vehicles: a Ford D1000 tractor unit and a Scania 110 tractor unit, which those in the haulage industry will know are large vehicles. One of them was a sleeper-cab truck and we used to run it across Europe carrying our own goods, mainly exports or imported components. We also did back loads for freight forwarders in Milan and France and occasionally from the United Kingdom abroad. I have run trucks and have experience of the industry—albeit on a small scale 25 years ago when I was a young man, long before I was elected to the House of Commons. I recall in great detail the effect of diesel costs on manufacturing industry.

5 pm

I have protested repeatedly to successive Governments—including this one—about diesel costs and I have been corresponding with Treasury Ministers about this issue for the past 18 months. I feel strongly about diesel taxation, which I believe undermines the position of manufacturing companies in the regions. Those companies' high costs should be offset in part by low transportation costs. I regard transport costs for hauliers in the regions as part of regional policy. Some people view regional selective assistance as a necessary subsidy for industry, and one that ensures investment, and some believe that low energy prices are required in certain sectors, particularly in the chemical and paper and board industries. I believe that we must maintain a low price structure for energy and transport costs.

It is totally counter-productive to levy costs on hauliers that they then pass on to customers without recognising the consequences of that decision for export prices and inflation within the United Kingdom. I am very conscious of the need to take account of environmental benefits when considering such matters. However, we must also bear in mind the cost to British manufacturing industry, particularly when the exchange rate is high and is causing that sector some discomfort.

I believe in the harmonisation of taxation across the European Union. I know that it is unpopular, but I believe that income tax rates, sales tax rates and all other rates of taxation should be uniform across the EU. I am a big supporter of the European Union, and believe that the proposition is utterly inevitable; it will come to pass. We may argue about it today and perhaps for the next decade, but, in the end, tax rates across the European Union will be harmonised. We should be thinking about that at this stage in our history. It seems quite silly to attend various meetings of the Commission and of the Council of Ministers and talk about level playing fields in differing areas of trade policy when we are aggravating a condition that will produce the antithesis of a level playing field. We should pursue harmonised tax policies, which means ending the escalator as it affects fuel prices for commercial operators.

I am very conscious of the impact of the increases in my constituency and on companies operating in Cumbria. I refer the Committee to some relevant correspondence and articles to which I have drawn Ministers' attention privately. The time has come to put this correspondence before the Committee, because I do not believe that Ministers have taken it into account. A shocking article appeared in the *West Cumbrian News and Star* on 22 March under the headline:

"Stobart Freezes Pay Over Fuel Tax".

The article reads:

"Cumbria-based haulage firm Eddie Stobart has imposed a pay freeze on its staff because of fuel and road tax increases in the Budget.

Eddie Stobart . . . has already registered 10 of its 840 trucks in Luxembourg to avoid Britain's tax increase.

A further 40 look likely to be registered there, at a cost of only £350 a year . . . William Stobart, group operations director, said: 'We want to keep the workforce here. Registering lorries in Luxembourg is simply a cost-cutting measure . . . The drivers are angered and upset because Eddie Stobart can no longer pay a rise to his drivers. This is the first time this has happened and they say the Budget is to blame. We are not even getting a cost-of-living rise.

Everything else in the world is going up but our wages. We have to survive too.'"

My right hon. and hon. Friends will know that I am loyal to the cause, but I do not believe that drivers should have to pay this tax. That is effectively what will happen: drivers in my constituency will have to bear the burden of additional taxation levied on hauliers. That is simply wrong.

I spoke to the Eddie Stobart firm this morning and I was told that the company made a profit of only £1 million last year. The reduction in corporation tax, to which my hon. Friends have referred and which is also mentioned in the KPMG report, will probably benefit the company by about £20,000 to £30,000 per annum. The cost of increasing duties and licences as proposed in the Budget will be £2 million. One figure does not compare with the other. If the difference is being paid by drivers

in Cumbria or nationally, it is just plain wrong. That is why I think that the Government should rethink their decision.

As to flagging in Luxembourg, it is true that part of the Stobart fleet operates in the European Union. I think it is perfectly acceptable for companies to register vehicles abroad. The problem arises when firms start registering abroad vehicles that operate within the United Kingdom. The Stobart firm told me at midday today that it is planning to register about 100 vehicles outside the United Kingdom in Luxembourg. The firm may have to establish commercial premises in Europe in order to organise its activities properly. I am very worried about what I describe as the "Northern Ireland problem" whereby people drive over the border to register their vehicles and refuel. We are getting our tax profile wrong if that is now happening in England.

I understand that these items were included in public expenditure projections before the last general election and that the Government have simply carried them forward. Let us be truthful and say that that is what has happened: a defence based on environmental issues is misplaced. Public expenditure extrapolations as built into the Red Book must be borne in mind when taking decisions about this issue. How much would it cost the Exchequer if we were to find a way of exempting commercial operators from the increase in DERV duty? I suspect that it would be quite a small figure in terms of national expenditure, and I believe Ministers that should take that into account when considering future increases.

Another operator in my constituency, Mr. Teasdale of Cockermouth, travelled to London and took part in the great demonstration. I am not convinced that it is right to accuse those people of being wreckers. They feel very strongly about their business and have a case to argue. Frankly, I did not think that they were acting irresponsibly.

People are entitled to demonstrate. In the past 20 years as a Labour Member of Parliament, I have supported, in the House, demonstrations that I thought were right. I also supported demonstrations before I was elected. Indeed, I was involved in a demonstration some 30 years ago outside South Africa house in London, with some hon. Friends who are now in the Government. We accept that people have the right to demonstrate. That is all that the road hauliers were doing, and they were perfectly entitled to do so. Mr. Teasdale, the haulage contractor from Cockermouth to whom I referred, is expressing concern and asking the Government to rethink their policy.

I have another disturbing letter from a very reputable company in my constituency—Thomas Armstrong (Holdings) Ltd. It is one of the largest building companies in the north of England and employs many hundreds of people in that region. It has large carpentry shops and produces window frames, doors and roofing trusses for the building industry. It has a building division and a haulage division. The firm's letter to me, dated 24 March, says:

"As most of our lorries go out of Cumbria by road and we have to compete with other companies who are far closer to the market place, this latest increase has put our haulage business in jeopardy and we will possibly have to reduce our fleet by about 50 per cent. during the next 12 months."

I am very worried about that. The letter continues:

"It is estimated that the total increase for fuel duty and road licence will be in the region of £400,000, which we will certainly not be able to recover from our customers who are only interested in savings not increases.

We have written to all our drivers and informed them that due to the additional costs that have been imposed on us in the Budget, we intend to make changes which will result in the loss of jobs."

I say to my hon. Friend the Economic Secretary that I was not elected to bring about job losses. We cannot allow companies to lay off workers as a result of measures that we have introduced.

As I said, I am not opposed to the escalator; I seek an exemption for commercial operators who run trucks and carry goods throughout the United Kingdom to and from remote areas, such as mine, which will suffer unreasonably as a result of the changes.

I have another letter, which I understand was sent to a number of hon. Members, from the Forestry Contracting Association. I could stand here probably for two hours and just read out correspondence because I am in contact with people in the industry who know of my interest and have been writing to me. I have picked out only the letters that are particularly interesting.

The forestry haulage industry is important because the cost of haulage is crucial to the cost of timber, and many rural economies and parts of the United Kingdom are dependent on the timber industry, just as paper and board mills are dependent on a supply of timber. Our options are to import the timber from Russia, as some companies would like to do, or parts of Scandinavia, or to buy it within the United Kingdom and sustain rural development—something that we all want to do. I favour the latter option but, if a paper and board facility is situated inland, the timber must be hauled from somewhere within the United Kingdom.

The Forestry Contracting Association said in its letter:

"The continued strength of Sterling and other factors outwith the control of the industry has led to increasingly large volumes of low priced imported timber being used in the UK . . . As a consequence, businesses have reduced production levels and there have been numerous sawmill closures and job losses throughout the UK . . . the imposition of significant increases in diesel costs and Vehicle Excise Duty will further damage the competitiveness of the sector.

Specialist timber hauliers estimate that their costs will increase by at least 5 per cent. after the Budget announcement . . . There is little or no scope for further reductions in operating costs in the industry in the short to medium term. Haulage accounts for at least 25 per cent. of the delivered value of British grown round timber."

5.15 pm

The paper and board sector of industry is, internationally, extremely sensitive to price. I am for ever being called by Iggesund, one of the largest paper and board operators in the United Kingdom, with a factory in my constituency, which tells me how sensitive it is to the slightest movement in sterling against a basket of currencies, or against the dollar. Sterling's rate against the dollar has not been too bad, but its exchange rate with European currencies causes concern. Such companies are concerned about slight changes, and they are particularly sensitive to the changes in duty rates.

There has been another development, which I should draw to the attention of the Committee. It involves a Conservative-controlled council, but, on this particular issue, I have no intention of making political capital;

[Mr. Campbell-Savours]

I merely draw it to the attention of the Committee. Kent county council has issued a statement, in which one of its leaders said:

"I'll be astounded if we don't have vehicles flagged out by middle to the back end of this year. If we could save £100,000, I'd be happy flagging out. We're looking at flagging out 500 vehicles."

I make no political point in quoting that statement; people will have to make decisions about how they want to arrange their affairs, but I am worried by the fact that a local authority is thinking about flagging out.

Today, a Conservative-run authority is considering that practice but, once it appears to generate savings, there is a danger that even Labour-controlled authorities may think that they should apply the same procedures and consider the savings that could arise simply from changing the flagging-out arrangements of their fleet. That is the kind of distortion that enters the debate when we neglect the need for harmonisation of taxation. That is why I am so keen to have harmonisation of all forms of tax, not only those in this sector.

Those who are in favour of the duty increases tell me that, in France and other parts of the European Union, the Exchequer compensates for the low level of VED because companies use the motorway system, where they have to pay tolls. However, anyone who knows how the freight industry in France works will know that many haulage operators simply do not use the motorways, but drive on the state roads to avoid paying the high tolls. We should be careful about using arguments about hauliers paying motorway tolls to compensate for other forms of taxation. In Italy, hauliers do exactly the same as they do in France. Even with the congestion in the strada nazionale system, most haulage operators use state roads wherever possible to avoid the high motorway toll charges.

I do not know whether the practice is the same in other countries, but the Swiss have an interesting system whereby, when one enters Switzerland, one buys a carnet. I do not know whether it is possible to have such a system in the United Kingdom. Switzerland is, of course, outside the European Union and may, therefore, legally be able to introduce such a charge, but we should perhaps consider a similar system for overseas operators coming to the United Kingdom.

Mr. Gray: The hon. Gentleman will be aware that he is describing the Brit disc, which the Conservative party has been proposing for some time. I hope that his Government will now accept our suggestion.

Mr. Campbell-Savours: I have spent a lot of time politicking in this place and, if there is a good idea, I do not mind from where it cometh, as long as it secures the survival of the haulage industry in the United Kingdom. I am very worried about the results of the Budget and the fuel escalator. I desperately want the escalator brought to an end as it affects commercial vehicles.

I have no problems with the fuel escalator as it affects the private car—and I represent a rural constituency. I do not object to petrol price increases. I believe that, over a period of years, people will switch to smaller vehicles. The incentive that we introduced in the last Budget, by reducing taxation on vehicles of less than 1100 cc, was a very good idea—anything to incentivise the use of smaller vehicles. I am asking for the escalator to be brought to an end, not on petrol, but on diesel fuel for commercial vehicles.

We are repeatedly told that the British road haulage fleet is too large. I believe that to be a fallacious argument. In order to restrict and contain price increases in the commercial haulage business in the United Kingdom, it is necessary to ensure that more vehicles are available than are required—that the fleet is "too large". The moment that the fleet reflects demand, operators will increase prices. The existence of small operators, who have lower costs and who submit lower bids to their manufacturers customers, has a restraining effect on haulage costs in the United Kingdom, ensuring that costs do not increase too fast. Such small companies are in a position to say, "I will do the job for less". That was the case in the years when I was in business. I have been talking today to haulage operators whom I have met; they accept that it remains the case. An oversupply inevitably has implications for inflation.

I am worried about a market where many of the little operators have been driven out of business because they cannot afford to operate. I am worried about a market where supply exactly meets demand, because I believe that, as a result, the large operators will start to jack up their price. Let us have oversupply.

I apologise to my hon. Friend the Economic Secretary for the fact that I had to make this speech, as I am blindly loyal. I have no problems with what we have done in the past year and a half, but this issue will not go away. Next year, when Budget decisions are being taken in the Treasury, I hope and pray that she will argue passionately—I beseech her to do so—that the escalator should not be used against the haulage industry, because it is extremely damaging to constituencies such as mine.

Sir David Madel: It is a pleasure to follow the hon. Member for Workington (Mr. Campbell-Savours). I appreciate that a great deal of his speech was constituency based; part of mine will be. The only aspect on which I disagreed with him was his opinion that the Government had done a good thing in fixing one of the vehicle excise duty thresholds at 1100 cc. That was the wrong capacity to choose. Older cars of less than 1100 cc do fewer miles per gallon than more modern cars of up to 1400 cc; and, as 1400 cc is recognised by the tax man as a tax point where one pays less or more, it seemed to me that the vehicle excise duty should sensibly have been fixed at 1400 cc—not at 1100 cc, as was suggested.

I am sorry that the Chief Secretary to the Treasury has left because, when he kindly gave way to me, he kept waving a document about the Conservative party's environmental credentials—what we had stood for or not stood for at the election. I will tell the Committee exactly what I stood for.

First, I stood for an increase in the bypass-building programme, on grounds that that would improve the quality of urban air. Secondly, in my constituency we stood for the restoration of the rail link between Dunstable and Luton. So did 80 per cent. of the people in Dunstable who were asked about that in a poll; so did Labour members of South Bedfordshire district council and Labour members of Dunstable town council. The only blockage was the opposition of Labour-controlled Luton council to the reintroduction of the railway. As a result,

because the local authorities were not united, we lost the transport package bid. Instead of arguing for the restoration of the railway—the track is all there; it would not cost much—Luton council argued for a busway. That is not nearly as environmentally friendly as the restoration of the railway would be; and when Luton people vote on 6 May, some of them will remember the anti-environment attitude of that Labour council.

I am glad that we are having a full day's debate on this subject, because it gives the Government another chance to sort out their ambivalent attitude to the car industry. Since the Budget, the Government have announced £200 million for Rover at Longbridge, and Ford has announced that a new car will be built at Dagenham. I have no doubt that local Labour MPs around the Longbridge and Dagenham plants are luxuriating in the glow of the good news for employment that two new models will be built at those plants.

However, not all the cars that will be built will be exported. A buoyant home market is necessary to sustain production and demand in those plants and in others throughout the country, and to sustain the many suppliers of the car industry.

As the car industry invests, it constantly improves engines and makes them cleaner. Research on that subject is intensifying. Since 1992, toxic emissions from motor vehicles have decreased by 42 per cent. That is the result of the commitment of the car industry to produce cleaner, more fuel-efficient engines—and that process will continue.

The Government should also use today's debate to sort out their attitude to the considerable increases in car ownership in this country. For instance, more and more women now own cars to get to work. I welcome the huge increase in the number of women who are working. However, they often now work flexi-hours, so the bus will not do. Often they will use a car to get to a training course. The car allows them to exercise maximum choice in school selection—in which the Conservative party believes—so they need a car to get their children to school.

Cars built 10 years ago—provided that they have been properly serviced—are proving durable, and that has opened up a market for young people, who can just about afford a car priced between £1,000 and £2,000. They need to get to their first job, or to an evening training class. The bus will not do as a substitute for them.

The third strand in the increase in car ownership is pensioners, who are living longer, are in better health and enjoy better pensions, and therefore want to retain their mobility and independence.

Those are very important social trends in car ownership and in life style. Instead of continuing the fuel escalator, the Government should respond positively to what is happening. They should not say blithely, "You can avoid more pollution by getting on the bus." In my view, no amount of smooth and beguiling propaganda can ever make the bus an attractive alternative to the car. I draw attention to two reasons for that.

First, the way in which housing estates have been constructed makes it virtually impossible for the bus to go round the estate to pick up people to go to work, a training course or another activity. Secondly, as I said in my intervention on the Chief Secretary, the road-building programme and the bypass programme have been cut to ribbons by the Government, discouraging the use of buses. One will not get buses out of towns unless the bypasses are built—a process that we had set in train. We had not gone fast enough, but at least we were going in the right direction.

I do not think that people expect revenues from fuel duty to be spent on the continual widening of the motorways and the construction of new motorways. We have come to the end of the motorway building programme, but we are nowhere near the end of the bypass building programme, and I wanted to hear something more positive about that from the Government.

5.30 pm

There comes a time when a tax becomes useless and dangerous. The fuel escalator tax has become useless because the technology, design and thrust of the car industry mean that less fuel is being used. It has become dangerous because of the effect that it is having on the road haulage industry—for all the reasons given by the hon. Member for Workington—and because of its effect on the cost of living and on the competitiveness of this country.

It is time for Labour Members to put constituency before party. They will have received the same representations as us, and many of them represent rural or semi-rural constituencies. My advice to them is, for once, disregard the Whips—do not take any notice of them and join us in the Lobby this evening.

Mr. Eddie McGrady (South Down): I want put on record the particular and terrible problems that the increase in the duties on hydrocarbons are causing in Northern Ireland. The Committee may be inclined to switch off when a Northern Ireland Member gets up to say how uniquely difficult a problem is in Northern Ireland, but this problem has a visible, physical uniqueness there and causes disadvantage.

Northern Ireland has the United Kingdom's only land border with another sovereign state—a state with fiscal and customs and excise regimes different from those in the United Kingdom. I draw attention to the fact that there is probably not a single haulage business in Northern Ireland that is more than 50 miles from the border with the Republic of Ireland. In that context, we can best consider the increase in duties over the past number of years by referring to the period between 1990 and 1999. In the Republic of Ireland, there was an increase of 6 per cent. in the duty on unleaded petrol. In Northern Ireland, which is part of the United Kingdom, there was an increase of 242.2 per cent. That is an enormous differential.

The same applies to diesel fuels. In the Republic of Ireland over those 10 years, the duty increased by 14.8 per cent. In Northern Ireland, it increased by 264 per cent. over the same period. Those increases are cumulative and not attributable to any particular Government, but there is a crunch point at which it becomes impossible to trade in such conditions.

I refer the Committee to the enormous increase in smuggling. It is reckoned that a large percentage of wholesale and retail trade in fuels is illegal. Customs and Excise has told us in public statements that it cannot cope, is addressing only a fraction of the problem and catches only a few of the people involved. Let me put the meaning

[Mr. Eddie McGrady]

of that smuggling into context. A person who can smuggle 25,000 litres, which is a relatively small amount, can make £4,600 profit on the load. If he is further engaged in illegal activity and does not even pay value added tax, profit can increase to almost £6,500 per load. Smuggling has a huge attraction for the worst elements in our society, who can make a fast and enormous profit.

Smuggling is one problem that we face, but the legitimate trade also faces the problem of the enormous differential between the customs and excise duties imposed over a 10-year period. We have come to the crunch and businesses are being put out of action completely. Large distributors are trying to hold the line, for a limited time, by reducing prices to their main customers in Northern Ireland. Local oil and fuel distributors cannot do that, so they cannot pass on any comfort or cushion to the petrol retailers, which means that, as we sit here, petrol retailers and small oil distributors are going out of business right along the border—from Donegal to South Down. Northern Ireland is semi-circumscribed by the land border, so everyone is within reasonable reach of cross-border trade and substantially reduced prices, either for bulk purchases or for fuel for individual cars.

In addition, most of Northern Ireland's communities—especially in the border counties—are rural and, except for a line running north to south, we have no railway system whatever. We are totally dependent on the roads system. Small retailers scattered throughout the countryside not only supply petrol, but cater for a substantial number of the household needs of rural communities.

Over and above that, the transport and haulage business is also in danger of being decimated or transferred. People have to transfer their whole operation only 10, 20 or 30 miles, and they are doing so. Businesses are setting up networks—this issue has been referred to in other contributions—not in Europe, but in the Republic of Ireland, 10 miles away across the land border. Those communities are losing all the jobs associated with road haulage and transport companies, with oil and fuel distributors and with local service stations, and they already suffer fairly high levels of unemployment; the continual increase in duties is having a terminal effect on those sectors.

The hon. Member for Workington (Mr. Campbell-Savours) referred to local councils looking elsewhere to buy fuel. Take it from me, the imposition of best value means that Northern Ireland district councils will buy their fuel from across the border—full stop, end of story. Buying across the border is best value, by a long chalk. If it would pay to register vehicles across the border, that could be done quite readily—by the stroke of a pen—without effecting any great administrative change. On top of all that, we have the additional difficulty of the road tax situation. Road tax in Northern Ireland is 11 times greater than that in some of our European counterparts.

It is easy for me to recite our problems—I am conscious that they have been caused over many years by the accumulated burden of customs and excise duties—but I have a suggestion that I hope the Economic Secretary will take on board, if she would care to listen. Our situation is not unique. There are other land borders throughout Europe and I draw her attention to the particular problem of the customs and excise differential between the Netherlands and Germany. A special protocol is in place under which border retailers and distributors receive a special rebate. As one recedes from the international boundary, the rebate decreases. It means that there is a tempering of the differential between the borders of the Netherlands and Germany. That arrangement was put in place by the Dutch and German Governments with the approval of the European Union's competition agency.

Mr. Seamus Mallon (Newry and Armagh): May I point to another anomaly? At present, given where we stand politically, we have agreed six cross-border bodies known as "new implementation bodies", and another six areas for enhanced co-operation between north and south. One of the areas is energy, and the objective is to harmonise the relationship between the north of Ireland and the Republic in terms of energy. Is it not contradictory that the Government are to spend £33 million in the first five years to set up those bodies to harmonise areas within the economic life of the island, yet they blink at the type of change that could allow harmonisation to take place to the advantage of people in the north of Ireland?

Mr. McGrady: I thank my hon. Friend for his intervention, which well illustrates the totality of the problem between the north and the south of Ireland. The people of Ireland, north and south, have agreed to try to rationalise those differentials, particularly in respect of energy production and distribution, as well as fuel costs and transport problems, which is the subject that we are dealing with today.

In replying to the debate, will the Minister undertake to pursue the idea of a protocol, such as that between the Dutch and German Governments, and to see whether it could be applied to the much more difficult and detrimental differential that exists along the border between the Republic of Ireland and Northern Ireland? I ask this as a matter of grave urgency because we cannot wait for another Budget to turn things around. We simply will not survive it. As the smuggling becomes more and more profitable, it will increase and become a substitute for other activities, which we have now peacefully got rid of.

Firms are being transferred and small businesses, retail outlets, and local oil and petrol distributors are falling down commercially. It would be an exaggeration to say that that is happening daily, but it is certainly happening weekly. Ultimately, the suppliers of fuel in Northern Ireland will be those who import it illegally because the legitimate trader and transporter simply cannot survive if he competes in an honest way.

If honest men and women in the transport, distribution and retail industries want to survive commercially and to earn an income for their families, they are being forced into the hands of the illegal dealers. It is the only way in which they can survive and make a profit. In many instances, they are being forced into the hands not just of smugglers—there is a certain romanticism about smugglers in Ireland—but of paramilitaries. That is an entirely different prospect.

It is a layer-upon-layer problem. The paramilitaries are now becoming very interested in that lucrative and safe trade because Customs and Excise has admitted that it cannot deal with it, and it does not seem to have the

potential of dealing with it in the foreseeable future. Admittedly, the smugglers' activities are innovative and clever. They will become increasingly innovative and clever as Customs and Excise—or "the Revenue", as it is known—catches up with them.

The fuel differential could at least be addressed if the Minister would take urgent action to see whether a two sovereign states protocol, with the approval of the EU and the legitimacy of equal competition, could be applied to Northern Ireland as a special and difficult case. I hope that the Minister's response will give some comfort to those whose businesses now face a very bleak future.

5.45 pm

Dr. Vincent Cable (Twickenham): I have been listening to this debate with mounting concern because what was a carefully assembled political consensus in support of environmental taxation appears to be steadily unravelling. It is unravelling in several different ways.

We have heard about the road haulage problem, not merely from Opposition Members, but from the hon. Member for Workington (Mr. Campbell-Savours). We have heard about the problems in respect of petrol duties, especially in rural areas—we have just heard forcefully about that problem in Northern Ireland. In another context, we have seen how the Government have allowed powerful interests within the Confederation of British Industry to drive a coach and horses through their new energy taxation by exempting all the energy-intensive industries. It is a bit like exempting heavy smokers from cigarette duty. We need to ask why that is happening, what can be done to stop it, and what the consequences are.

The Liberal Democrats strongly believe in the principle of environmental taxation, which is an effective way of preserving the environment. It does so in an economically efficient manner, working with the grain of the market. It sends signals to consumers and companies to change their behaviour and their fuels. Those who oppose it have a strong obligation to explain not just how they would replace the revenue, but how they would achieve the environmental objectives. One either abandons the objectives, or one achieves them through regulation. As we heard in the introduction of the Regulations on Small Businesses (Reduction) Bill earlier this afternoon, regulation is a costly way of achieving one's environmental ends. What is the alternative to environmental taxation?

Environmental taxation works. Before this debate, I looked at the model that the Government use—the previous Government also used it—to estimate the impact of taxation changes. I apologise for the technical jargon, but the price elasticity of demand in the model for transport is very high at 0.4. If duties in the transport sector are doubled, within three or four years, usage and pollution are reduced by some 40 per cent., which is a bigger coefficient than for any other part of the economy.

Perhaps the figures need updating—they are certainly not politically driven—but the evidence on which this Government are working, and on which the previous Government worked, suggests that environmental taxation in the transport sector is effective in achieving its objectives.

Mr. Gray: The hon. Gentleman claims that the increase in fuel duties over the past few years has resulted in a reduction in road traffic. That is not the case. Road traffic has increased exponentially over recent years despite the increase in petrol duty.

Dr. Cable: The hon. Gentleman is right to say that road traffic has increased, but many factors operate in that respect, including the growth of the economy, which is a counteracting factor. I am sure that the model is technically competent and takes that factor into account. The hon. Gentleman is right to imply that we need constantly to examine the assumption on which we base those calculations, which is why a few years ago, the Treasury Committee asked the Government to report back on the assumptions that they were using. Moreover, I am confident, given the consensus among them, that the technical people who develop those models are correct in believing that environmental taxation works.

So far, we support what the Government have been doing with the escalator. However, we part company with them in our belief that they are letting this political consensus unravel because they are not being careful enough with the politics. We argue strongly that, instead of environmental taxation being used, as it is now, as a milch cow for the Treasury, it should be used in a hypothecated way. The revenues from environmental taxation, particularly of the transport sector, should be more clearly earmarked for public transport and reductions in vehicle excise duty, so that people in the transport sector can see where their tax revenue is going.

Hypothecation is, to some extent, playing tricks with Treasury accounting. It does not raise additional money, but it helps politically to convince people, especially those in rural areas and in the transport industry, that their revenue is being used productively.

Mr. Paterson: I am intrigued by the hon. Gentleman's faith in the Government model. Already in this debate, we have had two examples in Ireland from hon. Members on both sides of the Committee showing that the effect of the escalator is to drive the Northern Irish haulage industry south of the border. What funds will be available to the Government if duties are paid to the Irish Government and not to the British Government?

Dr. Cable: If all petrol and diesel duty were disappearing across the Irish frontier, the hon. Gentleman would be right. I think that he would accept that, with all due respect to the real problems of Northern Ireland, this matter is a little marginal to the United Kingdom economy as a whole.

The hon. Gentleman has prompted me to turn to the specific issue of the diesel escalator and how it operates. There is some confusion. The assumption is that the diesel tax issue is purely about road haulage, but it is not. One of the main problems in the transport sector has been the gradual encroachment of diesels in the car market and all the pollution problems associated with that. That is one of the reasons why the Government were right to attack the disparity between the treatment of diesel and petrol. They have done that in the last two Budgets, and that has corrected an obvious anomaly that made no environmental sense.

The other confusion that has arisen—the discussion of Northern Ireland highlighted this—is that there are two distinct ways in which the competitiveness problem

[Dr. Cable]

operates. One of them is the smuggling of fuel as a result of a differential in duty rates across a frontier. That has been described in some detail, and I recognise that it is a legitimate problem. It probably operates across the channel and in Ireland.

However, there is a quite different problem for which different solutions are required, and that is the flagging out issue. I suspect that the problem is real, but exaggerated. We have been told for the past two years, especially by Conservative Members, about the horrendous problems of trying to operate businesses on the continent of Europe and the difficulties of payroll taxes, high business taxes and red tape. It is highly improbable that, on the strength of a relatively small but growing differential in duties on diesel, large numbers of British companies will up their roots and relocate in that highly unfriendly business environment.

None the less, let us take these anecdotes at face value and let us assume that this is a real problem. What has been brought out in passing is that there is a solution. The hon. Member for Workington referred to the Swiss carnet, the Conservatives have suggested the Brit tax and there is the vignette: we are all describing the same idea in slightly different language. If such a system were implemented, it would, in large measure, solve the problem of flagging out—although not so much the problem of cross-border smuggling, which is being addressed.

Mr. Desmond Swayne (New Forest, West): The hon. Gentleman will recall that the hon. Member for Workington (Mr. Campbell-Savours) had another solution to this problem, which was the harmonisation of taxes. He foresaw that it would be proper to reduce our level of DERV tax to that pertaining on the continent. Does the hon. Gentleman agree with his hon. Friend the Member for Lewes (Mr. Baker)? He said:

"I think that the Government should concentrate on increasing European Union levels"—

of fuel duty—

"rather than on reducing them here".—[*Official Report*, 18 March 1999; Vol. 327, c. 1346.]

Dr. Cable: My hon. Friend the Member for Lewes (Mr. Baker) was right. If there is a move towards harmonisation of duties in this area, it should come from increases in continental Europe.

Another way of dealing with this problem would be to develop an idea that has already been incorporated in the last two Budgets. The reduction of vehicle excise duties on lorries has been incorporated to a degree, and it could be taken further. A combination of the vignette, a reduction of vehicle excise duties on lorries and whatever voluntary efforts the Europeans make—we cannot persuade them to increase their own duties—would deal these problems.

I suggest that the Europeans would be well advised to raise their own duties because many of the studies that have been done on the transport sector suggest that, even at present rates of the escalator, the social and environmental costs associated with road transport are not being met. A very effective study produced by Oxera, which is an Oxford-based consultancy whose leading consultant was widely used by the previous as well as the present Government, shows the extent to which the social and environmental consequences of road haulage are still not properly captured in the tax system.

One of the points that the study makes effectively is that heavy vehicles destroy the road track. A 40-tonne, five-axle truck apparently—I am not a technical expert—inflicts the same damage on the road system as 10,000 cars. That is a vastly disproportionate cost. Many of the pollution costs are also substantial, some of which, such as particulates, have been touched on. Diesel fuel is the source of 44 per cent. of particulates, and the percentage is growing. About 20 per cent. of the pollution associated with nitrogen originates with diesel, and that is the source of ground level ozone and the associated respiratory problems.

The tax system does not fully capture the large environmental and track use costs related to road haulage.

Mr. Bercow: I hope that the hon. Gentleman realises the political reverberations that his argument will cause. Is he aware that if he encourages the member states of the European Union to raise their excise duties, they will be doubly encouraged to exhort us to raise our income tax levels?

Dr. Cable: The hon. Gentleman knows perfectly well from previous debates that our approach to European integration does not include a belief that tax harmonisation in Europe is desirable in itself. That is why I did not lay emphasise on that recommendation when it was prompted by the hon. Member for New Forest, West (Mr. Swayne). I would be happy, as I am sure would the road hauliers, if European countries voluntarily moved towards harmonisation of rates at a higher level.

Mr. Clifton-Brown: Will the hon. Gentleman give way?

Dr. Cable: May I finish this point, and then I shall happily give way to the hon. Gentleman.

It is fine for the Government to accept the principle of environmental taxation and the escalator, but this sector needs a little bit of joined-up government. I have an example of a recent planning application on the borders of my constituency in south-west London. I am sure that hon. Members have similar examples in their constituencies. A nationalised industry, the Post Office, proposed to relocate its sorting office on a new site that was immediately adjacent to a railway line, the Feltham marshalling yards. Hounslow, the neighbouring planning authority, approved the application not as a rail-based sorting office, but as a road haulage project. There was no use of railways whatever.

I prompted Railtrack to do a study and it suggested that rail use would have been profitable, although not enormously. I and my local council protested to the Secretary of State, and asked him to call in this application specifically to establish how committed the Government were to shifting from road freight to rail. The request was turned down and the project has been approved. It will go ahead as a road haulage project despite the adverse economic and environmental impact that it will have. It is one thing to raise more revenue from the road hauliers, but it is quite another to have an integrated policy that is manifestly lacking in that department.

We are less concerned about cross-border smuggling of petrol, although it clearly takes place in Ireland, and about the flagging out problem in relation to petrol. However, there is a different problem. We are all conscious of the fact that large amounts of revenue are being raised without any obvious comeback for the consumer—£1.5 billion has been suggested with regard to the escalator.

6 pm

The hon. Member for Macclesfield (Mr. Winterton) has made some interesting calculations, demonstrating that if petrol duties had been linked to the retail prices index rather than the escalator, there would have been £5 billion less revenue from that source. We are talking about enormous sums, with no obvious return to the motorist. I believe that the Red Book shows a total of £70 million for rural public transport; that is a good gesture, but a very small one.

We suggest that, to maintain what is a diminishing amount of political support for a basically sensible proposal—the escalator on petrol duties—the Government must show more political commitment to channelling their revenues into public transport on the one hand and the reduction of vehicle excise duty on the other, especially duty on smaller cars. Some progress has been made in that direction, but we feel that it could be taken much further.

I want to say a little about the Government's new approach to energy taxation. It does not feature in the clause, but it is important to the debate, because in the long term, it will determine how much environmental taxation is raised from transport and how much is raised from other sectors of the economy. I am very worried—as, I think, are Members of all parties—about the way in which the new tax has been structured. I think that the system has been flawed from the outset, in that it exempts important sectors of the economy that could contribute to the carbon dioxide reduction targets to which the Government attach such importance.

Perhaps most understandably, the household sector is exempted. Such taxation is regressive as it affects households, but there are other ways of dealing with the problem. The Government are not deterred from increasing cigarette duties, for instance. We may understand the Government's reasoning, but the fact remains that they have exempted an important sector of the economy that could have been influenced.

Much less excusably, the Government have exempted energy-intensive industries. I believe that, in years to come, they will be severely questioned about their reasons for introducing a new round of environmental taxation that was so inconsistent and so flawed.

I reiterate my party's support for the principle of environmental taxation and the principle of the escalator, but urge the Government to think more clearly about the opportunities for hypothecating revenue and for offsetting it in other ways, particularly reductions in vehicle excise duty. We are evolving a taxation system involving relatively low taxes on labour and profits in comparison with the rest of the continent, and relatively high taxes on pollution. That balance is right: we should be trying to preserve it, and the Government should be thinking much more carefully about how to reassemble the political consensus in favour of environmental taxation—a consensus that they are in danger of losing.

Mr. Barry Gardiner (Brent, North): One of the most strenuous attacks on clause 2 was made by the right hon. Member for Wells (Mr. Heathcoat-Amory) during last week's Opposition Day debate. In his speech he quoted one of his constituents, a haulier, who had complained to him that any more increases in fuel duty would be

"the last nail in the coffin".—[*Official Report*, 21 April 1999; Vol. 329, c. 915.]

The question which that prompts is not simply, "Who put in the first nail?", but "Who built the coffin in the first place?". The answer, of course, is that it was the right hon. Member for Wells himself, and his fellow Conservative Ministers, who, when in government, introduced the fuel escalator in 1993—first at 3 per cent., and, in December that year, at 5 per cent.

Hon. Members will note that, while the Opposition have sought to make much of the fact that the Government have raised the escalator in three Budgets in two years, they forgot to point out in debate that it was they who had pioneered the practice. It was during the second Budget speech that the then Chancellor of the Exchequer and now "shadow Leader of the Opposition", the right hon. and learned Member for Rushcliffe (Mr. Clarke), declared:

"Any critic of the Government's tax plans who claims also to support the international agreement to curb carbon dioxide emissions will be sailing dangerously near to hypocrisy." —[*Official Report*, 30 November 1993; Vol. 233, c. 939.]

Mr. Swayne *rose*—

Mr. Gardiner: On that note, I willingly give way to the hon. Gentleman.

Mr. Swayne: Does the assumption that the escalator does, indeed, constitute a coffin underlie what the hon. Gentleman has said so far?

Mr. Gardiner: I concluded the last part of my remarks with the words

"sailing dangerously near to hypocrisy"

I used to work in shipping. It is clear to me from my professional experience that those who sail close to things usually end up with a shipwreck. Certainly, that is what has happened to the Conservative party since this whole misguided campaign began. Its integrity has gone down to Davy Jones's locker, hand in hand with its memory.

It has been argued that the extra 1 per cent. put on the escalator by this Government has made the crucial difference to the industry. I asked the House of Commons Library to provide me with the differential between the cost of diesel today and the cost that would have obtained had the Conservative's 5 per cent. escalator continued on target. The answer was just 4.29p per litre—but that figure relates only to the escalator, and, as hon. Members know, the escalator was on top of inflation. What, then, could the industry have anticipated under the Conservatives had they remained in office?

At the time of the last Conservative Budget, the underlying rate of inflation was 2.7 per cent.; today, under Labour, it is 2.1 per cent. That difference of 0.6 per cent. means that the true differential in the price of diesel between Conservative and Labour would be not 4.29p, but just 1.7p. The party which, during its term of office—according to the Library—imposed an increase totalling a massive 46.6 per cent. has dared to accuse this

[Mr. Gardiner]

Government of betraying the road haulage industry over an increase of just 1.7p. If that is betrayal, Goneril and Regan loved their father, Iago never stole a handkerchief, and Brutus was nowhere near Rome on the Ides of March.

My right hon. Friend the Chief Secretary spoke of a balance to be struck between environmental concerns and the industry—

Mr. Woodward: I am sure that the hon. Gentleman will take us for an interesting and probably informative excursion through the reasons why the Conservative Government introduced the escalator, but I would like him to answer a question. If we now believe—the hon. Gentleman may say that he does not, of course—the evidence presented by the road haulage industry, and if we believe the evidence presented by a number of our constituents throughout the country that the escalator is causing severe problems, and if they are right in saying that some 26,000 jobs may be lost because of our failure to compete with our European counterparts—

The First Deputy Chairman of Ways and Means (Mr. Michael J. Martin): Order. The intervention is too long.

Mr. Gardiner: No doubt the hon. Gentleman will have an opportunity to make his own speech in due course, but I will deal with the issues that he raised, because they are legitimate and important. Indeed, I was about to do so.

I am confident that my right hon. Friend the Chief Secretary has had an opportunity to read the recommendation of the fourth report of the Select Committee on the Treasury, which says that it

"would expect the Treasury to evaluate its effect next year"—

meaning the effect of the increase in excise duty—

"and report progress in the next Red Book".

I consider that sensible. What I cannot believe is that the party which, for 20 years, folded its arms and muttered the mantra "market forces" as 30 per cent. of British manufacturing industry went into liquidation now affects horror, and demands that the Government save small, uncompetitive road hauliers. What I cannot believe is that the party that stamped on every strike and public demonstration with all the rigour that Norman Tebbit could muster is now cosying up to industry rebels who block the streets of London and prevent the people of London from going about their business. I suppose that it was at least a good Tory demonstration—it was held in Pall Mall, after all.

I cannot believe that the party that has been apoplectic in its opposition to European tax harmonisation is now demanding that the Government should set their fuel duty only after doing an Esso price check at pumps across Europe.

In seeking to strike out clause 2, the Opposition seek to deny the Exchequer £1.5 billion of revenue this year, and a total of £4.7 billion over the next three years. Yet, the Opposition offer no alternative way of raising that revenue. That is not responsible opposition, but opportunism. In this debate, the shadow Chancellor said that he believes that the social security budget should be cut. If that is so, where is his amendment to that effect? What is his proposal? What would he cut—pensions, or disabled people's benefits? A responsible Opposition would come clean and state how they would cover that revenue shortfall, or what spending they would cut.

I turn now to the fundamental question. For what purpose was the fuel duty escalator introduced? I hope that I may now be able to answer the question of the hon. Member for Witney (Mr. Woodward). In 1993, the Conservatives introduced the tax precisely to change behaviour—the behaviour of transporting goods by road haulage. Did they think that they could do that without any road hauliers going out of business? Of course not; that was the policy's objective. There is a logic in that that even Janus could not deny. If one raises duty to discourage road freight, one aims inevitably and precisely to put road hauliers out of business. To protest when that policy begins to work is not only madness but hypocrisy.

The final hypocrisy is that the policy was introduced to meet the United Kingdom's emissions targets. When it came to signing the Kyoto resolution, the Opposition supported the Government on those targets.

Mr. Brady: Will the hon. Gentleman give way?

Mr. McNulty: Sit down; this is a serious debate.

Mr. Gardiner: No; I shall not take any further interventions.

Conservative Members' worst hypocrisy is to have supported us—as they did—when we signed the Kyoto targets, and to have agreed that the fuel escalator policy was designed to take freight off the roads, but now to cosy up to the road haulage industry, at the expense of our children's future.

Mr. Gray: I am very pleased to contribute to this important debate. As many hon. Members are keen to contribute to it, I shall keep my remarks as short as I possibly can.

Until I heard the speech of the hon. Member for Brent, North (Mr. Gardiner), I thought that I should be speaking on very much the winning side of the debate, as—apart from the rather limp speech of the Chief Secretary to the Treasury—all the other speeches by Labour Members, in their own little way, opposed the escalator.

I am happy also to follow the hon. Member for Twickenham (Dr. Cable). His speech has prompted Conservative Members to start drafting our press notices, and showed the Liberal Democrats in their true light, as the high-taxation party. My constituents in North Wiltshire shall be extremely interested, tomorrow, to read his remarks in *Hansard*.

It is rather nice to follow the speech of the hon. Member for Brent, North—who is an ambitious fellow, and has done his very best to support Government Front Benchers. He is probably one of the very few Labour Back Benchers who would do so. However, I suspect that the hon. Member for Workington (Mr. Campbell-Savours) probably more realistically and accurately represents Labour views on the issue than he does. Nevertheless, as the hon. Member for Harrow, East (Mr. McNulty) demonstrates, there are always plenty of Labour Members who are ready to be sufficiently sycophantic to support Ministers on any proposal, regardless of how controversial and unpopular it may be.

6.15 pm

The hon. Member for Twickenham was, for two reasons, incorrect when he praised the escalator as an environmental tax. First, there is plenty of empirical evidence to show that there is absolutely no remaining elasticity in road usage. Over some years, as has so frequently been pointed out by Labour Members, the fuel price has increased exponentially—but so has road usage, which has increased much more than the fuel price.

Most observers would accept that there is no relationship between the fuel price and the amount of road usage. Most fuel is used by, for example, company car drivers, who have to drive their mileage. A travelling salesman will not say, "I'm not going to go to the north of Scotland today, because they've raised the petrol price by 6 per cent." Therefore, elasticity is extremely limited. Unless one increased the petrol price by a gigantic amount—doubling or trebling it, which, as I shall contend later in my speech, may be precisely what the Government have in mind—or went to other such extreme lengths, it is extremely unlikely that, over the years, road usage will decrease.

The hon. Member for Twickenham was wrong in his description of the escalator as an environmental tax for a second cogent reason: environmental taxation works, by definition, only if it discourages certain types of activity. One levies an environmental tax because one is saying to people, "That is an undesirable type of activity, and we don't want you to do it." Therefore, if the tax works, over the years, the Treasury's tax take will decrease. A successful environmental tax prevents people from doing something that is undesirable in the eyes of the law.

The Red Book, however, states that the net tax take from the escalator will increase annually. Over the years, the escalator tax take has increased, demonstrating that—whatever else it may be—it is definitely not an environmental tax. It was designed to increase, not decrease, the amount of revenue that the Treasury takes. Only if the Red Book were to contain figures showing a downward spiral in the net take from the escalator would we be able to accept that it was an environmental tax.

A variety of my hon. Friends have already described the appalling damage that the escalator would do to a variety of activities, and we have heard several constituency examples of its effect on hauliers. I should like to add an example from my own constituency—from C and H (Hauliers) Ltd. of Nettleton near Chippenham, in Wiltshire, from whom I received a letter this morning. It states:

"The 11 per cent. increase in diesel duty now means that my foreign competitors can fill their trucks for half the cost to me."

It is interesting that the Economic Secretary to the Treasury fully supports the tax. Perhaps that may be because of a quotation that I discovered recently. When asked by haulier Mr. Bob Stewart what a 38-tonne heavy goods vehicle might achieve in miles per gallon, the hon. Lady replied:

"Well, I would imagine 45 miles per gallon; that's what my car does."

It may be that the hon. Lady started from quite the wrong premise. She should know that the average truck does 7.5 miles per gallon—some one seventh of what her car does. If she calculated her figures in the recent Budget on the basis of her car, at 45 miles per gallon, I suggest that this may be an opportunity to re-examine the figures, and to go back to hauliers and say, "I'm awfully sorry; we understand what went wrong."

Mr. Roger Casale (Wimbledon): I wonder if the hon. Gentleman was making a similar statistical error when he mentioned the lower price elasticity of demand for petrol. Perhaps he uses his car quite a lot and will not use it any less if the fuel price rises. However, before the debate, I took the precaution of checking on the matter with the Library, and that information indicates that the elasticity of demand is quite high. Customs and Excise estimates that a 1 per cent. increase in the price of petrol will lead to a 0.272 per cent. fall in consumption. That would be equivalent to reducing carbon dioxide by 5 million tonnes—

The First Deputy Chairman: Order. I must remind the Committee that interventions must be brief.

Mr. Gray: I am grateful to you, Mr. Martin.

I am also grateful for the lies, damned lies and statistics offered from across the Chamber. There are, of course, a million different ways of cutting that particular piece of cake, but in recent years—since the 1950s or 1960s—the price of petrol has increased by far more than the rate of inflation, yet during that time road usage has increased even more. That demonstrates that there is hardly any relationship between the price of petrol and the use of the roads. If there were, road usage would presumably have declined in recent years, and anybody who walks along the streets of London can see that that has not happened.

The hon. Member for Wimbledon (Mr. Casale) wondered whether I might be able to use my car more or less according to the price of petrol. That shows where he comes from. He speaks as an urban Member, interested only in urban people—his constituents, who can always jump on to a bus or a train. He was right to draw attention to the fact that my constituents in the country could not reduce their car use even if they wished to.

Even if petrol cost £100 a gallon, my constituents, such as the old people who live in my village or the farmers who live down 10-mile drives, would still need their cars to get to the shops or to get their children to school, irrespective of the cost. The hon. Gentleman is right to say that country dwellers such as those whom I represent could not use their cars much less, but would be severely damaged by a continued increase in the escalator.

Here is one more quotation from the road haulage industry. A letter from Brian Yeardley Continental Ltd. says:

"Buying Diesel in the U.K. our company would spend at least £1,057,000 more annually than our competitors abroad".

It was interesting to hear the hon. Member for South Down (Mr. McGrady), talking about petrol and diesel being smuggled across the Irish border. I saw that myself when I was in South Armagh recently with the armed forces parliamentary scheme. Through telescopes we watched huge petrol lorries crossing the border, entirely unchecked by the police or the Army. Such operations form a significant part of the activity of the IRA.

What similar activities shall we soon see in Calais? In that case it would not be smuggling, but if someone wants to take his lorry from Dover to Aberdeen and back, he does not have to fill it up in Dover. He can fill it up in

[Mr. Gray]

Calais, before it crosses the channel—and the operators have made it perfectly plain that that is what they will do. The Road Haulage Association is giving out something called the flagging out pack, which gives advice on how to do that and save enormous sums, not only on diesel but on VAT. I realise that VAT is not the subject of the clause, but it does parallel damage.

Let us compare what the haulage industry is telling us with what the Minister of Transport is quoted as having said recently—a telling quotation, that shows us where the Budget comes from and what the Government are thinking:

"UK operators do not suffer from any serious disadvantage over foreign competitors".

Presumably that is why tens of thousands of them are blocking our streets—because they do not suffer from any disadvantage, and are perfectly happy to pay whatever the Government want them to pay for diesel. That is unbelievable, astonishing nonsense. It is amazing that the Minister responsible for transport should be able to stand up and say such a thing.

There is another aspect of the debate that I, as a member of the Select Committee on Environment, Transport and Regional Affairs, with a keen interest in environmental matters, find worrying. The argument has been advanced, both in the debate and in Treasury papers, that the purpose of the escalator is environmental. The Government say that it is nothing to do with income, or even with schools and hospitals, apart from as a small postscript. Apparently, the main reason why they want to keep the escalator going is to achieve their Kyoto targets.

In his rather limp opening remarks, the Chief Secretary said something like, "We are determined to achieve Kyoto. We haven't yet achieved it, but the Conservatives have shown that they are no longer signed up to it." He was wrong, for several reasons.

Anybody who knows anything about the Kyoto targets knows that we are already close to achieving the 12.5 per cent. reduction for which we signed up. Nothing further was needed in the Budget. To all intents and purposes, the target has been achieved, although that had nothing to do with cars and vehicles, but was a result of the dash for gas.

Mr. Leslie *indicated dissent.*

Mr. Gray: The hon. Gentleman may shake his head, but according to the current figures, about 10.5 or 10.75 per cent. has already been achieved. We have nearly another 2 per cent. to go, but most people estimate that that will easily be achieved. That is why the Labour party, and the Deputy Prime Minister in particular, have said that 12.5 per cent. can easily be achieved, and that we are determined to aim for 20 per cent.

The 12.5 per cent. reduction can be achieved without the escalator. We do not need it, so the straightforward hypocrisy of the Government becomes plain. They say that we are trying to save the planet and achieve our Kyoto targets, although any environmentally aware observer knows that the British target is already within sight.

The fuel duty escalator merely masquerades as an environmental tax. Indeed, many of the environmental taxes now being discussed by the Economic Secretary to the Treasury will also be merely masquerading. The Government should be straightforward and say "We need more money, so we are going to do this, that and the other." It is disgraceful for them to dress their taxes up as environmentally beneficial.

The Government have made great play of the fact that the Conservatives introduced the escalator. They are right; we did. However, one gets on an escalator because one is on the ground floor. We were on the ground floor then; we had a huge carbon dioxide emission problem and our petrol price was one of the lowest in the world. We got on the escalator, and it was supposed to clock up increases for two or three years, until 2000.

However, nobody in his right mind gets on an escalator to stay on it for ever. It was astonishing to hear the Minister say that he expected the 6 per cent. escalator to continue for ever. One of my hon. Friends has already pointed out that, in that case, the price of petrol will have doubled in 10 years. My maths is not up to working out what the percentage increase will be after that.

The Minister talked as if the escalator would go on for ever, through the roof. We have continually challenged him to deny that, but he continues to talk in those terms. We would have got off the escalator when we got to the top, which by our own predictions would have been in 2000—this financial year.

Mr. Leslie: Will the hon. Gentleman define exactly what the image of getting off the escalator means? Is he saying that fuel duty should be frozen now?

Mr. Gray: Of course not; I am saying that we should get off the escalator now. In other words, broadly speaking, fuel duty should rise in line with inflation. That is, broadly speaking, the approach—[HON. MEMBERS: "Is that party policy?"] It is right that our Treasury Front-Bench spokesmen should be cautious in their approach to such matters, but I speak from the Back Benches, and I am happy to call for such a freeze even without any form of endorsement from my Front Bench colleagues. None the less, they have made it plain that they oppose the escalator this year.

Hon. Members can take it from me that because the Conservative party cares about the freight industry and about rural drivers, when we are in government in three years' time there will be enormous pressure from Conservative Members against our returning to the escalator.

Sir Robert Smith (West Aberdeenshire and Kincardine): The problem that I have with the Conservatives' current claim to care is that in 1992 the Conservative party campaigned against the idea of a fuel duty escalator but then proceeded to implement one.

Mr. Gray: The hon. Gentleman has found some conflicting evidence. All day we have been told that we were committed to the escalator in 1992-94, but the hon. Gentleman has apparently discovered a commitment by us to get off it. I am delighted to hear about it, because that is what I propose. Perhaps our policy has taken several years to implement.

Sir Robert Smith *rose—*

Mr. Gray: I have already dealt with the hon. Gentleman's point.

I must not become flippant, because this is an important subject. Of course we were committed to the escalator once, but then we introduced it and it did its job. The fact that we so wholeheartedly supported the Kyoto commitments, and the fact that the United Kingdom is near to achieving them, is testimony to what the escalator has done.

By contrast, the Labour Government came into power saying that there would be no new taxation. In retrospect they say, "What we meant was that we wouldn't change the base rate of income tax." Even so, they were happy to abolish the 20 per cent. rate of income tax without the fact being announced in the Budget speech. None the less, the claim was, "No new taxation." Well, if that was told to the rural drivers in Chippenham and to the heavy goods vehicle drivers in my constituency, the sound of laughter would be heard all the way from north Wiltshire.

Drivers in Scotland especially will pay the price. I spent last weekend campaigning in the country where I was born, brought up and educated. This is a huge issue in my native land. Hauliers in the north of Scotland have a greater problem than anyone, because they have so much further to go. The road fuel escalator problem will be a huge matter in the run-up to 6 May, both in the elections for the Scottish Parliament and in the local government elections south of the border. If we have our way, the Government will pay the price for this disgraceful tax.

6.30 pm

Mr. Derek Twigg: In his speech earlier, the shadow Chancellor spoke about stealth taxes and said that the Government were not open about what they were doing. However, it is interesting to look at the Conservative manifesto for the 1992 general election. It is hard reading, but I managed to get through it. It makes no mention of the fuel duty escalator, nor of the 22 taxes that the Conservative Government subsequently introduced. That is worth noting.

Sir Robert Smith: The hon. Member for North Wiltshire (Mr. Gray) did not seem to understand the point that I made earlier. Not only did the 1992 Conservative manifesto not mention the fuel duty escalator, but on the street the party campaigned against it. The Conservatives said at the time that they would not get on the escalator but, once they were elected, they were happy to do so.

Mr. Swayne: And look what happened to them.

Mr. Twigg: I am grateful to the hon. Member for West Aberdeenshire and Kincardine (Sir R. Smith) for clarification of the point that he made earlier, which I now understand completely.

It is interesting that no Conservative Members have tabled an amendment to the clause, perhaps because no one knows what amendment the different wings of the party might support. The safer option has been chosen—simply to vote against the clause standing part of the Bill. I do not know to which wing of the Conservative party the shadow Chancellor belongs on this matter.

It is easy to get the impression, from this debate, that the fuel duty escalator did not exist under the Tory Government, that petrol tax was never increased, and that the road fund licence did not go up. One would think that it was a different world for road users only a couple of years ago. However, the record shows that the escalator was introduced by the Tories. The right hon. Member for Wells (Mr. Heathcoat-Amory), the former Paymaster General, told the House on 23 January 1995:

"I know that a car is often a necessity, but all motorists must think about the environmental consequences of what they do."

He went on to say that

"petrol and fuel costs are but one component in the budgets of those who live in rural areas. Plenty of other things are cheaper in rural areas . . . I accept that some things are more expensive in rural areas. Some things are more expensive in urban areas. That is the interplay of a market"—[*Official Report*, 23 January 1995; Vol. 253, c. 103-04.]

The shadow Chancellor seemed to suggest that in some way what the Government are doing is causing job losses and people to lose their houses. He omitted to say that, under Tory tax and economic policies, there was record homelessness, and that record numbers of people lost their houses and were thrown out of work. In addition, 5,000 haulage companies went out of business.

Conservative Members seem to want to pretend that the slate is clean and that nothing happened under the Tory Government. The shadow Chancellor said that the Conservative party opposes the escalator for now, and the hon. Member for North Wiltshire (Mr. Gray) said that it would oppose the escalator this year. When I asked whether the Conservative party would support the fuel duty escalator at any time in the future or whether it would be ruled out in the party's next election manifesto, I received no answer.

That says a lot about the Conservative party, which cannot be trusted on these matters. Perhaps we will explore that in greater detail as the debate progresses.

Mr. Brady: Will the hon. Gentleman say whether he will fight the next election on a commitment to keep the escalator, or to drop it?

Mr. Twigg: Our policy is clear, and was presented in the Budget. Conservative Members will not make a statement about their party's intentions. As usual, they try to hide instead, but that is the difference between us.

Various leaflets from the Automobile Association and other sources have presented a breakdown of each £10 spent on fuel. Of that total, £8.50 is accounted for in tax, but £7.70 of that was imposed by the previous Tory Government two years ago. This Government have introduced an increase in the fuel duty escalator of 7p a litre, but the increase under the previous Government was 26p.

Mr. David Ruffley (Bury St. Edmunds): Will the hon. Gentleman give way?

Mr. Twigg: In a moment. I want to make some progress.

The figures that I have quoted show a clear difference between the actions of this Government and their predecessor. As I said earlier, 5,000 hauliers went out of business under the Tory Government, but I have yet to hear any apology for that from Conservative Members. They seem to have forgotten totally all the people who have lost businesses, houses or jobs, and the effect that those losses had on the economy.

[Mr. Twigg]

A balance must be struck between road haulage and the environment. Clearly, lorries and heavy goods vehicles have a greater impact on the environment than cars. Lorry usage on motorways and roads causes a disproportionate amount of damage, and that problem must be tackled. Many people complain about the number of lorries on our roads, and any Government must deal with that.

Mr. Ruffley: Does the hon. Gentleman have any rural constituents? If so, is he trying to tell the Committee that none of them has written to complain about this disgraceful hike in petrol duty?

Mr. Twigg: Hale village is the only rural area in my constituency. People who live there have welcomed the Government's integrated transport policy, which will mean that buses will go to villages such as Hale on a more regular basis. Under the previous Government, those services did not exist. That is the main concern: certainly, no one from Hale has written to me about the increase in fuel duties. I hope that that answers the hon. Gentleman's question.

Also conspicuous by its absence today is any condemnation by Tory Members of the terrible effects of the recent disruption by lorry drivers of various towns and cities around the country. That disruption caused snarl-ups on many roads and had terrible effects on people's ability to get to work or go about their business. I have not heard any Conservative Member condemn the action, although perhaps one of them will do so today.

Mr. Brady: I am grateful to the hon. Gentleman for giving way to me again. Is he on the point of condemning strike action in the public services, which is clearly the logic of his argument?

Mr. Twigg: I gave Conservative Members an opportunity to condemn the actions of the lorry drivers, but none has taken advantage of it. It may be that they support that action.

Mr. Paterson: I have spoken about this issue since July and at every public meeting I have made it clear that it is not in the lorry drivers' interests to disrupt the public just when the public are being convinced that the drivers' cause is a good one. Does the hon. Gentleman have any evidence that one essential load has not been carried because of the fuel escalator?

Mr. Twigg: It is interesting to see the split developing between hon. Members on the Opposition Front and Back Benches. That might be a symptom of the machinations of the past few days that we have read about in the press. One wonders what is the real view of the Conservative party, but we may get some interesting comments later.

Mr. Paterson: I thank the hon. Gentleman for giving way again, but he has specifically invited interventions from Conservative Members. I hope that he will answer the question that I asked a moment ago: can he give any evidence that the escalator has reduced the carriage of freight? Have any essential loads not been carried because of it?

Mr. Twigg: I find that point astonishing because it was the Conservatives who introduced the escalator and carried on increasing it. The hon. Gentleman might ask himself his rhetorical question after he has had a look into history.

There are interesting questions around the subject of lorries and freight movements. Over the past six to 12 months I have held discussions with representatives of large multinational companies in my constituency about whether freight can be moved off the roads and on to rail. One point often raised is the marginal cost of that decision. For example, it would be difficult in the case of 44-tonne lorries.

The decision is marginal, but the companies have strong views on how they can improve their commitment to the environment, and they want to consider the switch. One company is still going down that road, but another felt unable to make a case for transferring freight to rail. The interesting points raised emphasise the importance of the Government's case.

We want a strong haulage industry that employs people. However, we must ask how we can put more freight on to rail by making it a better business proposition for companies. That is a particular issue in my area where chemical industries such as ICI, Albright and Wilson, and Elf Atochem are discussing whether they can develop a rail head for freight. Many dangerous chemicals are transported by road, and the companies argue that it would be environmentally safer if more could be moved by rail.

Mr. Campbell-Savours: There is an easy way to move freight off roads and on to rail. All we have to do is run a policy for cheap rail freight. Immediately, huge volumes of freight would transfer.

Mr. Twigg: I am grateful to my hon. Friend for that intervention. We can consider several options for creating incentives to move freight to rail, but we must make it competitive for businesses to do so. The Government have made clear commitments on public transport and on moving more freight by rail. Most people would support those policies.

Sir Robert Smith: Rail freight is attractive and preferable, but the hon. Gentleman must realise that since Lord Beeching, in vast tracts of Scotland, such as my constituency, rail freight is not an option because there is not even a railway line.

Mr. Twigg: Many years of Tory Government are responsible for most of that. I do not know West Aberdeenshire and Kincardine very well, but in my area, with the Mersey and Liverpool docks, the Manchester ship canal, the west coast line and rail links to Wales and Holyhead, freight is an attractive option. The hon. Gentleman will accept that I cannot talk for every part of the country.

Whatever happens, companies in the haulage industry will face some difficulties. There are questions of competitiveness and efficiency, and there will always be some shake-out or change. However, in response to the point that there has been no consultation on the clause, I must say that the Government have set up a forum with the haulage industry. Last week, my right hon. Friend the Minister of Transport said:

"It is not I who maintain that the road haulage forum is constructive. Let me quote the Freight Transport Association after the first meeting, which stated that it was

'very impressed and encouraged by the will, intent and urgency of the forum to get to grips with our industry's problems without delay'."—[*Official Report*, 21 April 1999; Vol. 329, c. 964.]

In spite of reservations raised by the Conservatives and others, the Government have made a clear commitment. They are listening to the hauliers with whom they are holding a dialogue. The Government should be supported for that.

6.45 pm

One further problem must be addressed. The Conservative party has not offered any alternative with which to fill the funding gap if the escalator were abolished. That is often the case with the Conservatives of course. Perhaps they would cut social security, benefit for disabled people, education or investment in public transport. Who knows? The Conservatives have not said, and that says much about them. They have no policy, but the Government do have a policy and that policy will succeed in the best interests of the country.

Mr. Swinney: I shall concentrate on some important points. We are dealing with a vital subject that affects all walks of life in our economy. The hon. Member for West Aberdeenshire and Kincardine (Sir R. Smith) has mentioned the lack of availability of public transport links in his constituency, and my neighbouring constituency is similarly large and rural.

We should begin with some history of the fuel duty escalator, which was introduced by the Conservatives in 1993 at 3 per cent. It was subsequently increased to 5 per cent., and the Chancellor has increased it to 6 per cent. above inflation. We are not, we should recall, dealing with the matter as a one-off issue: this is the third time that I, a Member elected in 1997, have dealt with it under a Labour Government.

It is not unrealistic to expect that by the end of this Parliament a gallon of petrol will cost £4.30, and a gallon of diesel £4.35. When we consider those costs, we can clearly see the difference they make to the working of the economy and to the increased cost base affecting many of our constituents and the businesses that employ them.

It is ironic that we are considering spiralling fuel costs at a time when this country—particularly Scotland—is producing oil. We are an oil-producing country, but we have some of the highest petrol prices in Europe. The rate at which prices have increased, and their levels in comparison with those of several of our European competitors, are important issues.

I shall concentrate on what I consider to be the real impact of the fuel duty escalator in four specific areas. First, it affects employment. The Freight Transport Association has supplied several Members with estimates of the impact that it considers the escalator will have on employment. It suggests that more than 50,000 jobs could be at risk as a result of the resulting increase in business costs.

We have already heard of the danger of haulage companies deciding to up sticks from the United Kingdom to find alternative bases in Europe. From my political position, I find that argument fascinating. I am often told, particularly at the moment by Labour Members, that the possibility of constitutional change may mean businesses automatically leaving Scotland. Yet I hear from Ministers that there is absolutely no way in which the application of punitive fuel duty escalators will mean that businesses will want to leave the United Kingdom for other parts of Europe. That is a curiously contradictory argument.

Secondly, the escalator will have an impact on the cost of services. In large rural areas such as the constituency that I represent, every walk of life is affected by increases in fuel costs. It hits the cost of goods put on the shelves of local shops with fragile budgets in isolated areas. It impacts on the costs that local authorities have to bear to provide home help services and other care support in rural areas. The cost of all aspects of services will increase. The burden does not fall only on shopkeepers who are trying to sustain businesses in fragile areas but on local authorities that are already wrestling with enormous pressures on their budgets while continuing to extend and broaden the services provided to vulnerable people.

Mr. Leslie: How much revenue would be forgone to Scottish public services if the fuel duty escalator was not kept?

Mr. Swinney: I can divide the figure in the Red Book to make a calculation about the Scottish economy, but the Government must get their lines of argument correct. I have listened for a good few hours, albeit with a time-out to make some telephone calls, to Ministers saying that this is all about environmental targets. Either it is about money or the environment; it cannot be both or either as it suits them. We have become terribly familiar with that characteristic under this Government.

The third area on which the fuel duty escalator impacts is infrastructure, on which I have some sympathy with the hon. Member for Twickenham (Dr. Cable). He said that the collapse of the political consensus on the issue came about partly because road users did not feel that the penalty of the fuel duty escalator flowed through into investment in infrastructure. That is a fair point. People who are almost dependent on roads, particularly in rural areas, do not feel that infrastructure is being improved enough. When we try even to secure modest road improvements in Scotland, there seems to be paralysis in the Scottish Office in determining where they will be made. Those issues directly affect our communities.

Finally, there is the question of rural communities. I have considered the impact on jobs and service provision but we must also consider the matter in terms of the purpose of the Government's measures. If they are designed to reduce car and lorry usage and the volume of traffic—I accept that that is a possible Government motive—we must consider how realistic it is to expect such a change of road use pattern. In most of my constituency, people who want to be employed somewhere five, 10 or 20 miles away could not sustain such jobs using public transport; it would at least be very difficult.

The Government have made much of their measures to try to compensate for the disadvantages of rural areas, such as the rural transport fund. Its resources were enhanced by the Chancellor in his March Budget statement. Given the nature of my constituency, I was keenly interested in how the fund would work and what impact it would have there. I thought that it might have been a genuine attempt by the Government to mollify some of the harsher effects of their policy. To my horror, I found that in my large rural constituency in Scotland,

[Mr. Swinney]

only three petrol stations would be eligible for assistance. One has already gone out of business, so we are down to two. In vast areas, the supply of petrol is doubtful. I doubt whether the Government's measures will make much difference. If the Government want to deliver their objectives on fuel usage and the impact on the environment, they must recognise that a stronger and more sophisticated public transport system is the key, not penalising road users for whom fuel is essential.

Debates such as this are always better informed by real experience. Two cases have come to my attention, one from within my constituency, one from without. Last week, I visited Bellwood Nurseries, an interesting company near the town of Alyth that supplies mature trees for landscaping contracts throughout the United Kingdom and western Europe. It is trying to make its way in the world through the great commitment of its management and staff. It estimates that its haulage costs will increase by about £10,000 because of the application of the fuel duty escalator. It would break commercial confidentiality if I told the Committee the proportion of its profits involved, but it is a substantial aspect of its cost base. Into the bargain, the most competitive company in the provision of haulage services to Bellwood Nurseries is leaving the Scottish economy to relocate to Calais. Bellwood Nurseries will have to procure alternative, more expensive haulage services on top of already higher costs as a result of the fuel duty escalator. That is a double whammy of rising fuel costs and the demise of a competitive haulage sector.

I have mentioned the example from outwith my constituency before. Norfrost in Caithness is a successful refrigeration equipment company. It transports its products across the United Kingdom and Europe and is heavily dependent on road haulage. It is increasingly trying to diversify into a broader range of freight transport services by using rail. It finds the support that it is being given for that positive. It estimates that the fuel duty escalator will add £100,000 to its annual running costs, a severe competitive disadvantage.

I met some hauliers earlier this afternoon. One mentioned a haulage company in Scotland that is registering its vehicles in the Republic of Ireland and having its MOTs done there to save £4,000 per vehicle in registration costs. I have not had a chance to consider that closely this afternoon, but the numbers are alarming.

The Chief Secretary's argument, which I am sure that we will hear again from the Economic Secretary, stressed the environment and the protection given to rural areas. He also said how supportive the Government were of the road haulage industry. I was therefore surprised to read in the newspapers the other day the refreshing candour of one of Labour's candidates for the Scottish Parliament, Mr. Jim Stevens, who is standing for the constituency represented in Westminster by my hon. Friend the Member for Galloway and Upper Nithsdale (Mr. Morgan). Mr. Stevens labelled the fuel duty escalator

"a poll tax on wheels".

He said that rural voters were "seeing through" the Government's argument and that compensation in the form of rural transport services amounted to nothing. He said:

"That becomes irrelevant in an area like Galloway where people have little alternative to the car and where there is no public transport.

Fuel price rises of this order hit people in rural areas, especially the poor, hard and much harder than people in urban areas. The tax is regressive because it hits poor people as much as it hits rich people.

And it is a double whammy because petrol companies subsidise prices in urban areas which runs totally against Government environmental policy aimed at reducing car pollution in cities."

Mr. Brady: The hon. Gentleman makes an important point. The case is even stronger, because such taxes hit poor people harder than wealthy people. People who drive elderly cars do not have the fuel efficiency that the Economic Secretary enjoys and will suffer more.

Mr. Swinney: That is a fair point. Poor people who live in isolated parts of my rural constituency will not make 50 or 60-mile round trips to cities to buy supermarket priced petrol, from which people who can afford to do weekly or monthly shops benefit.

Mr. Swayne: Does the hon. Gentleman believe that it is the Government's plan to tax the poor more heavily as a means of encouraging them to become richer?

7 pm

Mr. Swinney: The hon. Gentleman is more able to penetrate the deepest thinking of the Government and their bizarre notions than me. The escalator is certainly a tax on the poor, as Labour candidate for the Scottish Parliament seat of Galloway and Upper Nithsdale said very effectively in that newspaper article. I am sure that it has not escaped the notice of my hon. Friend the Member for Galloway and Upper Nithsdale whom I am delighted to see here from the campaign trail.

Just after the Budget, a rather indiscreet remark was made by Lord Sewel, the Minister with responsibility for agriculture and fisheries in Scotland. It was a fascinating example of the rebuttal machine of the Labour Government coming into play quickly. He said in a casual moment that in applying the fuel duty escalator the Government had underestimated the ferocity of the reaction and misjudged the public mood. I can trace only one newspaper in which that comment managed to reach the surface, after it was expunged from any possible recollection by anyone else. His comment gave the game away.

I intervened in the Chief Secretary's speech to ask him to clarify the status of an article that appeared in *The Daily Telegraph* on Saturday, which suggested that the Government had been chastened by the reaction to the fuel duty escalator and were in the process of giving a commitment that it would not be applied in the future. The Chief Secretary referred me to the Red Book, which confirms that it will be applied for the remainder of this Parliament. Obviously, this is a matter of enormous significance. We need clarity about the Government's intentions. It is bad enough having to face the effects of the escalator in this Budget. If we can, as a result of the enormous pressure applied by various sectors, manage to constrain the Government's use of it in the future, that would at least be of some benefit to those who are hard pressed.

The article in *The Daily Telegraph* cited ministerial sources as the origin of the story about the Government's U-turn. I find it fascinating that it commented on the ferocity of the campaign against the escalator that has

been waged in Scotland, to which the hon. Member for North Wiltshire (Mr. Gray) referred, and to the activities of my party in raising the issue during the Scottish election campaign. I hope that the Economic Secretary will be able to clarify the Government's position and announce tonight that the Government will step back from that punitive taxation on the poor and rural communities of Scotland and other parts of the United Kingdom.

Mrs. Margaret Ewing (Moray): Has my hon. Friend noticed that there is not a single Labour Member representing a Scottish constituency present on the Government Benches?

Mr. Swinney: I am grateful to my hon. Friend for pointing out that piece of information.

Mr. Swayne: Shocking.

Mr. Swinney: It is shocking, but not exactly surprising. I shall be interested to look at the voting record for the Division at 10 o'clock this evening, or whenever it is, to see into which Lobby Labour Members who represent rural constituencies such as mine trooped. It will be fascinating to see what all the huff and puff about rural transport amounts to when it comes to their putting their vote where their mouth is.

The road fuel duty escalator is doing enormous damage to the Scottish economy and the rural economy. It is shortsighted and uncompetitive and the Government should listen carefully to the strong representations that have been made not only by Opposition Members but convincingly by Labour Members.

Mr. Hayes: The—[HON. MEMBERS: "Hear, hear."]. I am delighted to receive that badge of recognition and warm support from my colleagues.

The haulage industry, like much of the countryside, believes that it is under attack from the Government. There is no question about that. We can debate at length whether it is really under attack from the Government, but it certainly believes that it is under attack. The industry also believes that it is under attack from the Minister. It rings a bit hollow with hauliers in my constituency when they are told that a forum is being set up after the event. After all this has been done, a forum is being set up to discuss why it has been done. It is not a forum for discussion or a consultative group to plan the best way of dealing with the issue before the tax is increased. It a forum to try to pacify the industry after the tax is increased. That is what it amounts to. We welcome the forum because it is better than nothing, but how much better it would have been if the Government had shown an honest commitment to the countryside and the haulage industry by setting up a forum before the measure was introduced.

Mr. Deputy Speaker—I am sorry, Mr. Butterfill, I was promoting you for a moment. The anger and bitterness in the industry is well summarised by a letter that I received from a small haulier in my constituency, Healey Transport of Pinchbeck in South Holland. I read the letter with deep concern, as I am sure that the whole House will receive it. Mr. Healey said:

"These outrageous taxes are severely damaging businesses like mine in your constituency."

I did not take that at face value. Being a diligent Member of the House, I wanted to examine that claim in greater detail, so I telephoned Mr. Healey to ask him some questions and to justify his assertion. He told me that his £800,000 turnover business was suffering an increase of £25,000 per annum as a result of the escalator. That is £25,000 in additional overheads for a small business. Those of us who have been in business appreciate just how significant that is in annual terms for such a business. It will undoubtedly push some businesses such as Mr. Healey's to the brink of disaster. It will certainly mean that they cannot expand.

We heard, however, from the Chief Secretary that haulage businesses needed to reinvest to improve their fleet and make their vehicles more fuel-efficient and environmentally friendly. Do the Government not realise that the only way in which companies will be able to do that is by using their profits to reinvest in their assets? That will not happen if the Government take money away from them in additional tax. That money might have been used to improve the fleet, make it more fuel-efficient and bring it up to the level of the best in the industry about which the Chief Secretary spoke; but that will not happen now, because Mr. Healey simply will not have the money to do that. Hauliers throughout my constituency, including Fowler Welch, which I mentioned in last week's debate, Spalding Haulage and many others, are being pushed to a similar position of jeopardy.

I shall now make some specific points not yet covered. The first is that the extra fuel costs have a disproportionate effect on rural communities. Let me explain that in a little more detail. I do not mean simply the extra costs endured by people living in remote communities because they have to use their car to get to the basic necessities of life—to work, to school, to hospital, and so on. I mean that hauliers are disproportionately based in rural areas. My hauliers have asked me, "What do you expect us to do—to change the places where they grow potatoes, vegetables and cut flowers?" Those places are static, so the hauliers have to be based there. Typically, those places are a long way from where products are retailed. Of course, haulage companies are based in rural areas, because rural areas produce the goods that haulage companies carry. There is no alternative for them.

The hon. Member for Halton (Mr. Twigg) spoke about the desirability of moving freight on to the Mersey or on to rail. That is impossible in large parts of the country because we do not have access there to alternative means of haulage. He really ought to know that. It is insulting for him to say that companies ought to move to rail, when most places have not had suitable railway lines for 35 or 40 years.

Mr. Derek Twigg: Will the hon. Gentleman give way?

Mr. Hayes: I will give way, but, if the hon. Gentleman is going to come out with drivel about the previous Government cutting the railways, when most railway lines disappeared in the 1950s and 1960s, he had better think first.

Mr. Twigg: Is the hon. Gentleman saying that there are no opportunities to get freight on to rail?

Mr. Hayes: There are some opportunities, but in significant areas they are limited. It is simply not a

[Mr. Hayes]

practical alternative in large sections of rural Britain to talk about moving haulage from road to rail. It is simply not possible to move to where the goods are produced. The knock-on effect is felt by the producer, the food industry and a range of related businesses which will suffer additional costs and inconvenience.

Mr. Woodward: When my hon. Friend was considering the problems that have been induce[d] in rural areas, did he take note of the comments of members of the National Farmers Union? They calculated that tens of millions of pounds in road costs would be added to the farming business and, in many cases, would push an already depressed industry over the edge.

Mr. Hayes: My hon. Friend is right to request amplification of a point that I made at the beginning of my speech: it is not just the haulage industry, but the whole countryside, that feels under attack from the Government. This latest episode is merely another instalment in the story of the abuse of our rural heritage, our countryside and our rural economy that has been going on since 1997. I do not deny that there were problems before that, but they have been exacerbated and intensified under the Labour Government.

Mr. Eric Martlew (Carlisle): Will the hon. Gentleman tell us who introduced the fuel escalator?

Mr. Hayes: Repetition has its place in politics, but it is not necessarily a place that I should want to occupy with the same alacrity as the hon. Gentleman.

My second point relates to the impact of the measure on small businesses. I have mentioned some of the larger companies in my constituency, including Fowler Welch, which I also mentioned last week. That company has taken the option of taking over a small continental haulage firm in order to run some of its fleet from the continent. However, that opportunity is not available to small hauliers. We are talking about small local companies moving local goods domestically. They cannot occupy different ground; they are obliged to continue doing what they do now. Their work is typically with small producers. Small producers make disproportionate use of small community-based family haulage firms, which are especially affected by the measure. As some hon. Members have pointed out, it is true that some hauliers will be forced to flag out and to relocate on the continent. However, many do not have that option because of where they are based and the size and nature of their business. The measure is a disproportionate attack on small business.

My third point relates to cars. We must be clear that, in many rural communities, the car is a necessity. It is a fact of life for many people: it is not possible for them to have any quality of life without access to a car. The problem with this fuel tax is that it is regressive. It affects poor and rich alike and has an especially damaging effect on the poor, the elderly and the disabled. It will affect the people who will suffer most from being restricted to their small village or hamlet. Indeed, in my constituency, where the population is sparse, some people do not even live in a village or a hamlet; some live in an extremely isolated spot somewhere in the middle of the fens, and, without access to a car, they will have no quality of life.

The measure will affect not only economic opportunities, but social and cultural opportunities. We should not ignore those. It is all very well for the Government to look back to a halcyon age when no one travelled more than five miles to do anything, but I assure them that, nowadays, the vast majority of people would not want to live that type of life. If that is the halcyon age to which the Government aim to return us, they will have a rude awakening from most British people when they put it to the test.

Mr. Leslie: For the record, in the distinguished parliamentary career before the hon. Gentleman, will he tell us now whether he will ever again vote for an increase in road fuel duty?

Mr. Hayes: The hon. Gentleman pays me great tribute when he refers to my distinguished parliamentary career—it will look very good in *Hansard*. I certainly do not want to dispute the point. I hope that my career will be increasingly distinguished, but, for the record, I want to ensure that the fact that I received such a plaudit from a Labour Member is amplified.

As for the hon. Gentleman's question, the answer is simple. One must judge the matter on the basis of the facts that are presented at the time. The truth is that Governments have to take decisions based on the prevailing circumstances. My judgment is that the fuel escalator has done its job and that we do not need to increase fuel duty. We certainly do not need to increase diesel prices by 11.6 per cent. at present. We have heard from the Conservative spokesmen—who certainly speak on this subject with far more authority than I do—that they do not believe that the escalator should continue. In future Budgets under a Conservative Government, when we are re-elected in three years' time, we may well need to consider the possibility of increases in petrol duty in the light of the prevailing circumstances. That is the honest answer, and the hon. Member for Shipley (Mr. Leslie) would expect nothing less from me. However, I do not think that we should consider the escalator—or anything like it—because we feel that it has gone far enough; it has done its job and it has come to the end of the road.

Obviously, the Government do not accept that; they do not believe that it is important to maintain low petrol prices for poor people, rural communities or the haulage industry. That is a frank difference of opinion, which we have begun to explore during the past few weeks. However, the Government would do well to be honest with the British people about that difference of opinion. We do not want more soft words or spins in *The Daily Telegraph*, when the Government tell us that they are looking at the matter again. We know very well that they are not looking at it again. We do not want to be told one thing in the media and another from the Dispatch Box. We want an honest and open debate on the matter.

From what we have heard tonight, it seems to me that Conservative Members acknowledge the pain and suffering that are being inflicted on rural, and other, communities and the difficulties facing the haulage industry, but that most Labour Members do not. Perhaps they do, but they do not care. I prefer to think that they do not understand, rather than that they do not care.

7.15 pm

Mr. McNulty: In relation to honesty, does the hon. Gentleman accept that, in the much-vaunted notion that £8.50 in every £10 spent on fuel is tax, £7.70 of that £8.50 was being paid before 1 May 1997? We are actually talking about 80p for every £10 spent on fuel. Is the answer yes or no?

Mr. Hayes: In response to an earlier intervention, I tried to make the point that it is cumulative—I hope that the hon. Gentleman will comprehend that. The latest increase comes on top of those that have been made before. I do not want to stray into speaking doggerel like the hon. Member for Brent, North (Mr. Gardiner), but this is the straw that broke the camel's back. I cannot bring into my speech Iago, Caesar, Brutus and Davy Jones's locker as he did, because I do not share his skills in lyricism.

Mr. Brady: May I assist my hon. Friend by adding that the Government are fiddling while Rome burns?

Mr. Hayes: Far be it from me to try to match the rhetoric of my hon. Friend, but the point needs to be made that the measure comes on top of previous increases. We can debate all night whether those increases were right or wrong. In a brave speech, the hon. Member for Workington (Mr. Campbell Savours) said honestly that he disagreed with those previous increases. Conservative Members took the contrary view that the increases were right, because of the price of petrol and the competitive situation of our industry at that time. However, we are tonight debating not history, but what is happening today. The hauliers and those who have to pay extra for their petrol will not be impressed to hear Labour Members going on about what happened 10 years ago, rather than debating, honestly and openly, this increase, this Budget, this pain and this suffering.

Mr. Patrick McLoughlin (West Derbyshire): It is interesting to hear Labour Members complaining about the position of the previous Government. We have suffered three Budgets in two years and the haulage industry has suffered three extremely large increases. [HON. MEMBERS: "Speak to the Chair."] I apologise, Mr. Butterfill. The matter is causing a great deal of difficulty, especially to small haulage businesses in our constituencies.

Mr. Hayes: As ever, my hon. Friend speaks with great alacrity on these matters. [HON. MEMBERS: "Lucidity."] Perhaps I was thinking of lucidity.

Mr. Clifton-Brown: Brevity.

Mr. Hayes: Indeed, brevity as well. Having said that, my hon. Friend the Member for West Derbyshire (Mr. McLoughlin) is correct to point out that the Government have not only got it wrong this time, but got it wrong repeatedly. The hon. Member for North Tayside (Mr. Swinney) said that people were now seeing through the Government. He made a good speech, but on that point I disagree with him: it is not that people are now seeing through the Government; they have already seen through the Government. They have had two years to see through the Government.

Mr. Woodward: There is always a danger of Government Members wanting to talk about history, when the reality is that road hauliers face bankruptcy because of the current Government's policy. We have to take account of the fact that our European competitors are not increasing excise duty in the same way that we are, with the result that our hauliers are finding their position extremely uncompetitive. In my view, we should protect the livelihoods of our own people.

Mr. Hayes: My hon. Friend brings me to my penultimate point. One of the disappointments felt by hon. Members and the industry is caused by the Government's lack of understanding of the competitive position in which their measure puts our haulage industry. The Minister of Transport said:

"I'm convinced that you don't suffer from any serious competition ... The fuel duty escalator is here to stay ... I have never met a business man yet who goes out of business and says it is his fault."

The problem with that approach is that it reveals cavalier arrogance, disregard and contempt—it is similar to the comment about whingeing hauliers. Such comments do nothing to commend the Government for their sympathy or understanding of the wider community.

Mrs. Gorman: Does my hon. Friend agree that that is the "let them eat cake" political argument?

The Minister of Transport (Dr. John Reid) *rose*

Mr. Hayes: I think that Marie Antoinette is about to intervene.

Dr. Reid: As I have said several times before, although the last sentence of that quote is accurate, the first two are not. It is absurd to suppose that my view is that there is no competition, and I have never said that.

I dare say that I have met more hauliers today than the hon. Gentleman has, and I shall continue to talk to them. I started today talking with Mr. Sandy McCracken, a haulier, and then met several of his friends. I then met five major hauliers through the Freight Transport Association, spoke to the council of the FTA, and came back here and met the general-secretary of the Road Haulage Association. I am always available to talk to hauliers.

Mr. Hayes: I am delighted to hear that the Minister is doing so much talking, but actions speak louder than words. The Government would have done well to consult and listen before introducing the measure, rather than doing so afterwards. It is good that they are talking now and that they are showing at least a degree of guilt for their action—the fact that they are exercising their guilty conscience is healthy and good, but they should have consulted before they acted.

Mr. Paterson: Does the Minister's reply not contrast dramatically with the decisive action taken by the French Government, who also signed the Kyoto accord, but who have introduced a rebate so that French hauliers are competitive with Luxembourg hauliers? A socialist Government introduced that measure last October.

Mr. Hayes: My hon. Friend makes a valid point about the willingness of Governments in competitor nations to support their industry more vigorously and

[Mr. Hayes]

enthusiastically than the Labour Government are prepared to support the British haulage industry. That is cause for sorrow, regret and considerable disappointment.

In his opening speech, the Chief Secretary advised the industry not to get too close to the Opposition, but he should understand that the industry is bound to get close to the Opposition when it sees that the Opposition are listening, responding and learning and that they are prepared to share its concerns and to act on them. The industry sees nothing of that in the Government. The industry will continue to become closer to us and to work with us for the benefit of the industry, the countryside, people and jobs, because it knows that it will get no such response from the Government.

Mr. Roger Casale (Wimbledon): The first thing to say about clause 2 is that it forms part of a Budget that sets a framework both for stable economic growth and for growth that will be sustainable. Secondly, clause 2 reflects the proper concern of Government, in framing Budget policies, to do so on the basis of a settled and balanced view of what is in the best long-term interests of the country as a whole, reconciling the complex and sometimes conflicting pressures of economic, social and environmental concerns. Clause 2 is not motivated by short-term political opportunism; it does not neglect the interests of any key stakeholders, although pandering to no one group; it does not leave out of account any key argument or fail to take fully into consideration any key facts.

Moreover, like other aspects of the Bill, clause 2 is notable for the fact that it does not cast aside every policy or measure introduced by the previous Government—although there was much in the Budget that is genuinely new. Therefore, it is all the more curious that the Opposition should have chosen to oppose that part of the Finance Bill that builds most directly on a policy that they introduced when in government—namely, the fuel duty escalator.

In the interests of constructive debate during Committee stage, I do not wish to provoke further the Opposition by repeating the oft-quoted remark that, by opposing clause 2, they are sailing dangerously close to hypocrisy. Instead, I invite them to apologise for having introduced the fuel duty escalator in the first place—after all, it is not hypocritical to admit that one made a mistake in the past and to try to put things right in the future. Perhaps Opposition Members would like to put it on the record of today's debate that they were wrong to support the introduction of the escalator under the previous Government. That would at least free them of the charge of logical inconsistency, if not the outright contradiction that has characterised the speeches of the Opposition Front-Bench spokesmen, whose argument appears to be that the road fuel duty escalator was right under the Tories, but is wrong under Labour.

Mr. David Heathcoat-Amory (Wells): Cannot the hon. Gentleman understand the difference between the introduction of an escalator when British fuel is among the cheapest in Europe and the Labour Government's action of continuing with an escalator at a higher rate at a time when our fuel is the most expensive in Europe? Can the hon. Gentleman distinguish between the two?

Mr. Casale: I thank the right hon. Gentleman for that clarification—of course I understand the difference. However, we have not heard any evidence to support the argument that now is the time to abandon the fuel duty escalator; instead, we have heard arguments for abandoning the escalator that would have been equally valid if they had been used to oppose its introduction in the first place.

Mr. McNulty: For the second time today—we heard it from the shadow Chancellor—we are hearing the myth that British fuel prices were low when the escalator was introduced. Figures from the Library for the third quarter of 1993 show clearly that Italy was the only country in the European Union where diesel prices were higher than those in Britain. By any reckoning, that means that the price of diesel in a significant number of countries was lower than ours, so the right hon. Member for Wells (Mr. Heathcoat-Amory) should either withdraw his comment or apologise to the Committee for misleading it.

Mr. Casale: I am sure that hon. Members on both sides of the Committee will continue to disagree on many issues, but I hope that we can agree on the facts. I am grateful to my hon. Friend for that intervention.

Precisely because the Government are building on a policy introduced by the previous Administration, I had hoped that the debate would focus more on the facts, the arguments and the issues at stake in the interests of preserving a cross-party consensus, rather than degenerating into party political—and occasionally opportunistic—rhetoric. The fact is that the fuel duty did rise significantly under the Conservative Government, as it has risen under Labour, in both cases at more than the rate of inflation. Under the previous Administration, the total rise was considerably greater than it has been under Labour.

Mr. Woodward: Would the hon. Gentleman care to speculate on the consequences for the haulage industry of the fact that, while excise duty on diesel fuel is about 20p per litre in Germany and between 20p and 25p per litre in France, it is now 51p per litre in the United Kingdom and is to rise to 60p per litre in the next year or two? What does the hon. Gentleman believe that the effect of that will be on that industry in the United Kingdom? Will it be good for the industry, or bad?

7.30 pm

Mr. Casale: If the hon. Gentleman is so convinced that rising fuel prices will have a devastating effect on the competitiveness of the road haulage industry, why did the Conservative Government introduce the road fuel escalator in the first place? In an earlier intervention, the hon. Gentleman invited us to forget history—one can understand why he wants us to do that—but let us suspend our knowledge of history for a moment and examine the question from first principles.

The hon. Gentleman will know that the price of fuel is not the only consideration when it comes to the competitiveness of this industry. We must take into

account other cost factors. The hon. Gentleman will know also that the British road haulage industry is competitive—in fact, there is overcapacity in that sector. There is great variation in performance and in the types of fuel used in the industry. This measure is designed to address those aspects, too. We are of course sensitive to the overall competitiveness issue—the road haulage industry is a valued and important industry—but, in assessing competitiveness, we must take account of all costs, and not just the cost of fuel.

I return to my basic point: if the Opposition are concerned about the impact of road fuel increases on competitiveness and they think that fuel is the overriding cost factor influencing competitiveness in the road haulage industry, why did they introduce the road fuel escalator in the first place? If, under the Conservative Government, the road fuel escalator and petrol price increases

Mr. Hayes *rose*—

Mr. Casale: If the hon. Gentleman will allow me, I will respond to the first intervention before I give way again. Did petrol prices influence competitiveness less under a Conservative Government than under a Labour Government? Opposition Members are displaying the same logical inconsistencies in approach all over again.

I hope that the hon. Member for South Holland and The Deepings (Mr. Hayes) will allow me to make progress. The decision to pursue the fuel escalator has been conditioned not only by history and by policies inherited from the previous Government but by Britain's international obligations to reduce emissions in line with agreements undertaken by the previous Government at Rio and by this Government at Kyoto. The policy has also been conditioned by the need to reach a balanced view about reducing pollution while seeking to protect the interests of an important and valued British industry.

It is true that I represent a London constituency and London, as no other city in Europe, knows the cost of road traffic pollution in terms of the quality of our environment, our urban landscape and, perhaps most importantly, in terms of our health and that of our children.

This Friday, the Wimbledon Civic Forum's Transport Forum will hold a public meeting to discuss how we can reduce traffic congestion and pollution in my constituency. Many of my constituents will attend that meeting to demand a change in the quality of the air that they breathe, a change in the transport system that still privileges the private motorist and road haulier at the expense of those who use the public transport network, and a change in the behaviour of those who use damaging, and ultimately dangerous, types of fuel. My constituents will not be indifferent to the needs of Britain's hauliers—neither am I—but they will point out that Britain's hauliers have an interest in ensuring a better environment and improved public health, too.

Sir Robert Smith: Does the hon. Gentleman recognise that they do not tackle those problems on the continent simply by altering the price of fuel? They decide where lorries should go within European cities. If the quality of the environment is better without them, lorries are directed to avoid those areas.

Mr. Casale: I welcome that intervention. One positive outcome of this debate is the constructive remarks from the other side about the value of drawing upon the experience of other European countries when framing a national transport policy. We all have an interest in ensuring a better quality environment and better road transport policies. We must reduce reliance on diesel fuels, which are most damaging to our environment. The voices for change must be heard.

As in other parts of the Bill, the Government must adopt a balanced approach, taking account of as many interests as possible before deciding what to do. The previous Government recognised that fact when they introduced the road fuel escalator, and this Government recognise it as well.

Mr. Hayes: I noted the hon. Gentleman's remarks about the need to achieve a "balanced" policy. The point is that that policy must be sensitive to the different needs and approaches of different areas. Fuel tax is a relatively blunt instrument, so we must develop and evolve policies that are sensitive to rural areas as well as to cities and towns. I have lived in both rural and urban areas, and I understand the hon. Gentleman's point about the city environment. However, his arguments ring pretty hollow in sparsely populated areas where there is a lot of clean air but a diminishing number of jobs due to the crisis in the haulage industry.

Mr. Casale: The hon. Gentleman intervened on me, but he seemed to be posing a question to himself. If he believes that the road fuel escalator is a blunt instrument, is he prepared to say that the previous Government were wrong to introduce it? Does he rule it out for ever and a day? He has had plenty of opportunities to clarify his position in this debate, but he has not done so.

Perhaps the balance between the different arguments and interests involved has shifted since the last election. But, if it has done so, surely the balance of the argument has moved in the direction of giving greater weight to people's concerns about their health and their environment, not less. Therefore, there is now even greater public awareness of the need for an integrated public transport policy, in which rail can partially replace road as a means of haulage transport, and of the need to discourage the use of inefficient and damaging fuels.

My main point, however, is that the fuel escalator, combined with other measures, is the right way forward. It was the right way forward when the Conservative Government introduced it, and it is the right way forward now, as this Government pursue the same policies for the same reasons with the same objectives and obligations in mind. Clause 2 should stand part of a Finance Bill that seeks to recognise the demands of a growing economy, a fair society and a sustainable environment in the interests of us all. I urge hon. Members to support clause 2.

Mr. Clifton-Brown: I am glad to catch your eye in this debate, Mr. Butterfill. We have heard many facile speeches from the Government Benches this evening. Labour Members have referred to what has happened in the past, but my constituents are wondering what will happen to their businesses today as a result of the road fuel escalator.

Mr. Swayne: Does my hon. Friend agree that the British electorate dispensed with the past on 1 May 1997?

Mr. Clifton-Brown: I agree totally with my hon. Friend. Although he makes a jocular point, it has a serious edge.

The Government should be examining the facts of the case. The economic circumstances are different every year and in every Budget. My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) made it perfectly clear that the economic circumstances in this Budget did not warrant such a huge increase in duty.

Mr. Derek Twigg *rose—*

Mr. Clifton-Brown: I will develop my theme and then give way happily to the hon. Gentleman.

Mrs. Gorman: The hon. hon. Gentleman had loads of time in which to speak and many other hon. Members are waiting to contribute.

Mr. Clifton-Brown: I would be grateful if my hon. Friend will allow me to develop this point.

The economic circumstances are such that we have by far the highest priced diesel in the European Community. The current price is some 68p per litre, or £3.9p per gallon. The Budget introduced a staggering increase of 28p per gallon, which brings the total rate of taxation to £2.28 per gallon. That amounts to a rate of duty of 84 per cent. in this country compared with Belgium, which has a rate of 66 per cent. Let us look at our major world rivals, because that theme has not been developed in this debate. Siren voices from the Liberal Democrat Benches want the whole of Europe to increase road fuel duties. However, if the whole of Europe becomes less competitive with the rest of the world, there will be less and less trade in the European Union and more and more trade in the rest of the world, and unemployment in Europe will go up and up.

Mr. Derek Twigg: The hon. Gentleman made a distinction between what is right today and what was right yesterday, and said that he did not think that it is now right to have the fuel escalator. Will he confirm that he would never again vote for the introduction of a fuel escalator or an increase to it?

Mr. Clifton-Brown: The hon. Gentleman obviously has not been listening to my speech. If he had, he would have heard me say that one should consider the rate of fuel duty in the light of the economic circumstances of the time. I cannot tell him what will be the economic circumstances after the Government have had a go at our economy. The economy may well be considerably worse off than it is now and, under those circumstances, we would probably be unable to increase the fuel duty as much as it would be prudent to do at the present time.

Mr. Edward Davey (Kingston and Surbiton): The hon. Gentleman seems to oppose the idea that other European countries should increase their petrol taxes. Why does he think that? Has he not met road hauliers who argue—they have put this argument to me—that all they that seek is a level playing field with European competitors, and they would like other European countries to put up their petrol taxes?

Mr. Clifton-Brown: That argument is totally fallacious. We should be encouraging our European partners to put taxes down, not up, because we would then gain a greater share of world trade, and the number of unemployed people in Europe—18.5 million—would start to go down. Unless we consider those 18.5 million people, their lives will be made a misery and, if we are not careful, so will those of many more people who will also be unemployed as a result of higher taxation.

The Government have increased the road fuel escalator by 6 per cent. but that is not the only increase. There is VAT on top of that, so the increase is 6.2 per cent., and if that is compounded over 10 years, the rate of duty on a gallon of diesel will double over 10 years. The Government have a duty to tell the haulage industry when they will end that ridiculously high real increase in diesel duty.

Much has been made of history. Almost all contributions by Labour Members have been set in the context of how the road fuel escalator operated when we were in power. However, I recall that, when the whisky industry was subject to similar duties, we froze the escalator because the industry was in difficulty. I should have thought that the road haulage industry was facing similar difficulties, so the rate of increase should be reviewed, and I look to the Government to do so.

We can contrast the fuel duty escalator to the tobacco escalator. One of the Government's first moves was to increase the tobacco escalator from 3 to 5 per cent. The Government have a record of increasing customs duties. The effect of the fuel increase in the road haulage industry alone will push up the retail prices index by 0.25 per cent. When all the other increases are taken into account, the RPI will no doubt increase by considerably more.

The Chief Secretary made great play of the overall costs to hauliers, but the fuel element of most hauliers' business is about a third of their total costs. That means that all the other costs are much lower by comparison. When one considers that the price of a litre of diesel in the United Kingdom is 68p, compared with 39p in Belgium and, perhaps significantly, 44p in Ireland, one begins to realise how uncompetitive British haulage is compared to some of our competitors.

If Ministers, who are laughing, doubt the truth of what I am saying, they should consider the example given by the hon. Member for Workington (Mr. Campbell-Savours). He pointed out that one of this country's largest haulage companies, Eddie Stobart, is thinking of flagging out some 100 lorries to Luxembourg or Ireland. Those companies know their business backwards, they are voting with their feet as an indictment of the Government's Budget measure.

As I said, diesel costs 44p a litre in Ireland and, contrary to what is constantly asserted by those on the Treasury Bench, Ireland has lower corporation tax than Britain. Its large corporation tax rate is 28 per cent. and the small corporation tax rate is 25 per cent. In addition, Ireland has lower labour costs, they are 13 per cent. of total costs. That makes me wonder whether many more hauliers will flag out their lorries to Ireland and other EU countries with lower tax rates.

7.45 pm

Flagging out will undoubtedly result in a haemorrhaging of customs duties, so the revenue total in the Red Book will not be as large as the Government have claimed, but a much sadder result is that jobs will be lost to the continent. Even more importantly, the environmental benefits—which I shall address in detail in a moment—will not be as great as has been claimed because continental lorries coming into this country are not as well-regulated and ser iced as British lorries and their emissions are likely to be worse than those of better-serviced British lorries.

Mr. Jeffrey Donaldson (Lagan Valley): The hon. Gentleman referred to the fuel price differentials between the United Kingdom and the Irish Republic. Is he aware that £100 sterling will purchase 139 litres of diesel in Northern Ireland and 229 litres of diesel in the Irish Republic and, as a result, haulage companies in Northern Ireland are now registering their business in the Irish Republic?

Mr. Clifton-Brown: I am extremely grateful to the hon. Gentleman for that intervention, which precisely proves my point. I have no doubt that, when the haulage industry considers the Budget measures, more hauliers will transfer their operations to southern Ireland because, for many, that is much easier than having to transfer business to the continent. It is crazy that we are losing jobs and duties to other countries when those jobs should be based here and we should have a competitive haulage industry. When goods need to be moved here, that should be done by domestically based firms.

I shall deal now with the environmental improvements claimed by the Government. The Chief Secretary said in his opening speech that 12 million tonnes of carbon would be saved each year. I have been reading the Library brief, which claims that, between 1996 and 2002, the total saving will be between 2 million and 5 million tonnes of carbon, which is considerably less than the Chief Secretary's claim. I hope that, when the Economic Secretary replies to the debate, she will be able to clarify that serious difference of opinion.

Nobody has mentioned alternative forms of fuel, but they are covered by clause 2, which is the subject of this stand part debate, so I shall now refer to liquid petroleum gas. There is no doubt that liquid petroleum gas has considerable environmental advantages over petrol and diesel. Companies in that industry include MarketLine International, which says in its brief that, if we want to foster the market in liquid petroleum gas, the fiscal framework must be guaranteed for at least five years so that companies have the stability and encouragement to make the necessary investment to change their fleets from using diesel to running on liquid petroleum gas. I ask the Government to play a genuine part in improving the environment by making that five-year commitment to the fiscal regime, so that hauliers are encouraged to make that change.

There are considerable environmental gains to be made from using liquid petroleum gas. One has only to consider the carcinogenic compounds benzine and 1,3 butadiene. There is no safe level for those chemicals. I ask the Government to reconsider the claimed benefits of diesel over petrol because the amount of carcinogenic oleogens produced by diesel is considerably less than that produced by petrol. Liquid petroleum gas produces about half the amount of oleogens produced by diesel, but about one thirteenth of the amount produced by petrol. The proportions of those dangerous chemicals—which are probably the most dangerous emissions from vehicles because they are carcinogenic—are much higher in petrol than in diesel.

There are other environmental gains to be had from LPG as opposed to petrol or diesel. They include reductions in CO_2, in lead, in oxides of nitrogen, in particulates—PM_{10}—in sulphur dioxide and in carbon monoxide. There is obviously a considerable environmental gain in switching to LPG. The Government have not created a sufficient differential in the Budget, and they have not created enough long-term stability to encourage haulage firms to transfer to liquid petroleum gas.

In summary, I believe that the Government are wrong to have increased the fuel escalator to the extent that they have. Jobs will be lost, the country will lose revenue and the environmental gains will not be as great as claimed. I urge the Government to consider the matter carefully because, if they go on compounding 6 per cent. plus VAT on 6 per cent. plus VAT, I doubt that we shall have much of a haulage industry left by the time that they leave office at the next election.

Mr. Roy Beggs (East Antrim): I am grateful for the opportunity to participate in the debate. I make no apology for the fact that it has been necessary for my colleagues and I to use every opportunity to draw attention to the plight of the road haulage industry in Northern Ireland, and of the families who have been operating petrol and diesel retailing outlets.

In Northern Ireland, there is hardly any alternative to road haulage for the transport of raw materials shipped into the Province to our industry; for the movement of manufactured goods back to the ports of Belfast, Larne, Warrenpoint and Londonderry for export; and for conveying exports to the Irish Republic. I believe that we have only one regular freight train from Belfast to Dublin and some of the southern ports.

Therefore, the transport of goods by rail does not provide a realistic option; indeed, most parts of Northern Ireland have no rail infrastructure. The situation is similar to that which prevails in many rural areas of England, Scotland and Wales. People are obliged to provide their own means of transport, and rely on it totally.

Road haulage in Northern Ireland is the life-blood of our industry and our agriculture. The roads are the veins and arterial routes, along which we must move raw materials and manufactured goods. We need a competitive road haulage industry—an industry that helps us in our economic development, so that we can become less dependent on support from United Kingdom taxpayers.

We understand Her Majesty's Government's objectives of protecting the health of the nation throughout the United Kingdom and protecting our environment, but there must be greater balance in taxation than there has been in road fuel and vehicle excise duty, which is causing severe economic damage to legitimate businesses and having painful effects on families. Plainly, many filling stations in Northern Ireland within 10 or 15 miles of the border have had to be closed.

[Mr. Roy Beggs]

The additional costs to our industry, and for everything that we buy, arising from increased vehicle excise duty and increased fuel duty, represent a double whammy. We are all paying additional taxation. Rural dwellers are doubly disadvantaged.

Throughout the debate, the Conservatives have made much play of the effect of the fuel duty escalator. Although that is obviously an effective and useful means of drawing down tax, they must accept some responsibility for the position that we are in. But it is even more important for the present Government to stop blaming the Conservatives when they, by the fuel duty escalator, are adding insult to injury and increasing everyone's pain by introducing punitive increases in fuel duty.

On 11 November 1998, in her reply to an Adjournment debate on the costs of the haulage industry, the Economic Secretary remarked:

"looking at business as a whole, transport is a relatively small part of total business costs."—[*Official Report*, 11 November 1998; Vol. 319, c. 347.]

That may be a backhanded compliment to the efficiency of our road haulage industry, but I felt that it was dismissive of the serious problems faced by the business of road haulage—problems that remain to be satisfactorily addressed.

The Freight Transport Association, which represents 12,000 members in Great Britain and Northern Ireland, of whom about 300 are in Northern Ireland, says that

"fuel costs are a substantial element in overall vehicle operating costs ... The additional 6p per litre imposed in the recent Budget will make matters worse for the road transport industry with operators in Northern Ireland finding it virtually impossible to compete with firms in the Republic. It will also encourage more smuggling and therefore increase the unfair competition by those using illegal fuel to undercut haulage rates. The Petrol Retailers Association"

and the Freight Transport Association believe that more and sufficient resources must be made available to

"Customs and Excise to enable effective enforcement action to be taken to eliminate smuggling."

As Northern Ireland is the only part of the United Kingdom with a land frontier with another European Union state, the increases in fuel duty have made smuggling extremely profitable and provided a real incentive to smuggling. There are huge profits to be made; that gravely concerns us in Northern Ireland. The increase in the 40-tonne, five-axle vehicle tax to £5,750 also means that it costs £4,000 less to tax a vehicle in the Irish Republic. That means that hauliers—legitimate business men in Northern Ireland—have no alternative, if they are to survive, but to flag out.

Operators in south-east England may be only threatening to move to the continent. It is a fact that an operator in Northern Ireland need move only 40 or 50 miles to set up an operating haulage business, legitimately, across the border in the Irish Republic to benefit from flagging out in the Republic. Huge savings will be made on every vehicle. The operator will benefit from the extremely cheap—in our terms—fuel, and the value of sterling over the punt gives an advantage of nearly 20 per cent., as my hon. Friend the Member for Lagan Valley (Mr. Donaldson) pointed out.

8 pm

The ingenuity of the smugglers in the border areas between Northern Ireland and the Irish Republic knows no bounds. My hon. Friend the Member for East Londonderry (Mr. Ross) has referred to the fitting out of a cattle or livestock lorry with a huge tank. The ventilator shafts were stuffed with sheep fleeces, and a few bleating sheep were put in the front of the lorry. Each time it came to a checkpoint, the sheep attracted the sympathy of the police man or the Customs and Excise man and, time and again, it was waved on.

Tractor, car and Land Rover trailers are fitted out with tanks, and a load of peat is spread over the top to give the impression that peat is being transported innocently from the bogs for domestic use. So it goes on. Grain lorries capable of carrying 40 tonnes are fitted out with huge tanks and carefully disguised. They then fill up and move on.

Oil storage appears to be a growing and thriving industry in the border areas, especially in Northern Ireland. There are more oil storage tanks in some agricultural areas than there are cattle, sheep or pig units, and cowboy hauliers can make even greater profits by using red diesel, on which no duty is paid. They have an even greater incentive, because there are so few customs officials on the ground. We reckon that hundreds of millions of pounds must be being lost annually to our Exchequer, which is very painful—that money should have been providing us with schools and colleges and would have helped to take the pain out of present policies, which are almost bankrupting every school under local management.

Mr. Clifton-Brown: Has the hon. Gentleman calculated the loss to the Exchequer when a big lorry fills up in the south of Ireland? Big lorries can take 400 litres, which represents a saving of £240 on the increased costs in the Budget. That would more than pay the cost of ferrying such a lorry to the mainland.

Mr. Beggs: I thank the hon. Gentleman for that intervention. What he says is quite true, but think how easy it is in Northern Ireland to take a trip across the border, which is only 40 miles away. The trip takes only five gallons of fuel and drivers save hundreds of pounds by tanking up. That is being done legitimately by many operators. I am amazed that the Government have given us no indication that research is being carried out into how many million gallons of fuel have been delivered into Northern Ireland over the past few years and how those supplies have been replaced surreptitiously by supplies coming in from the Irish Republic.

Mr. William Ross (East Londonderry): My hon. Friend may not be aware that I have recently questioned the Treasury on this matter. I am told that it does not know how much it is losing—it does not seem to be able to work it out—but I note that one of its replies said that deliveries dropped by 30 million litres of petrol and 40 million litres of diesel in one three-month period between 1996 and the end of last year.

Mr. Beggs: That is indicative of the scale of loss to our Exchequer. It also reflects the damage being done to legitimate businesses in Northern Ireland.

I welcome the recently reported crackdown by Customs and Excise in Northern Ireland, but it seems strange to some of us that it is possible for it to report a successful knock operation and show us the impounded vehicles only when the Northern Ireland Affairs Committee visits Belfast for an appointment with Customs and Excise. It is quite remarkable.

Mr. Hayes: Where do they fill up the vans?

Mr. Beggs: Vans of all kinds are filled up, and even bread vans are running out of the Irish Republic in disguise. Every disguise is used.

It is surprising that a knock operation can be arranged to impress the Northern Ireland Affairs Committee when it visits Belfast—those matters were debated last week—and it was also surprising to read the *Belfast Telegraph* on 21 April. It said:

"Customs officers have cracked down on illegal fuel by seizing nearly 30 vehicles over the past week."

That was good timing. We welcome those seizures, but they come a bit late, considering how many legitimate petrol and diesel retailers have been put out of business. Any operator who is in tow with smugglers can set up a portakabin as an outlet retailing cut-price fuel and move on to another site the next day, repeating the cycle. Punitive action must be taken against those involved in illegal practices.

There are also losses to the Irish Republic's economy, because many operators get a double benefit; they receive thousands of pounds for delivering diesel or petrol to Northern Ireland, and they return with loads of heating oil, which is at a premium in the Republic. They have nothing to learn, and I hope and trust that the Government recognise the seriousness of the threat to our legitimate haulage industry and the damage that recent Budget tax increases have caused.

I also hope that the setting up of the haulage forum will not be typical of the Government. People are becoming sceptical, because the Government are interested in soundbites and catchy headlines. They continue to take advantage of promises of additional expenditure, getting three or four times the mileage from the same money, although it is still not spent. I hope that they are sincere in setting up the haulage forum and that the consultation will be meaningful. If it is to be meaningful, positive action has to be taken to protect our haulage and freight industry within the United Kingdom.

Bearing in mind the specific and serious problems within Northern Ireland, I appeal to the Government to look at those special circumstances and to take specific measures to protect legitimate haulage businesses and petrol retailers in Northern Ireland. The Government must prevent those with paramilitary links from gaining huge profits, which are so accessible to them, and transferring them for use in future terrorism. The situation is serious and requires urgent attention. I appeal to the Government to show us evidence that these real problems are being addressed.

Mr. McNulty: I am pleased to follow the hon. Member for East Antrim (Mr. Beggs), who will not mind me saying that he could never be accused of talking in sound bites. I am sure that he was not suggesting that smuggling between Northern Ireland and the Republic is new, or that many of the trickeries that people get up to in smuggling across that border have occurred only since 1 May 1997. Not long ago, the traffic was in the opposite direction: ordinary car users as well as those in the haulage industry would pour out of the Republic to fill up in the north and then go back again.

I take the hon. Gentleman's point about the lack of infrastructure within both the north and the Republic. Apart from one railway up the east coast, there is not much at all. I have strong connections with the county of Donegal. After the introduction of the punt, I spent 10 or 15 years deciding whether to fill up in Monaghan Town or Aughnacloy, or to stop at Strabane and then go over the bridge and fill up at Lifford, or the other way round. Thus the problem is not new. It would be a misrepresentation of the hon. Gentleman's comments if anyone were to suggest that the difficulties in Northern Ireland occurred because of this Budget or previous Budgets. I know that that is not what he was saying.

I agree with the hon. Gentleman that, if productive work is to be done at the road haulage forum, there might be scope for looking at the specific concerns of Northern Ireland. Because of the nature of its geography and infrastructure, those concerns are very real and different. However, adjusting the level of fuel duties in the Finance Bill will not solve the problem of smuggling, whichever way it is going across the Irish border. The Irish haulage industry did not collapse when things were considerably cheaper in the north.

Mr. Beggs: The seriousness of the situation in Northern Ireland is such that the Exchequer could be losing as much as £400 million. It has been suggested that the legitimate industry could have rebates for the fuel used, which would then do away with the huge differential. Never in the history of differentials in fuel rates between the north and the south have we had as big a gap as there is now.

Mr. McNulty: I take that point. If I wanted to be facetious, I would say that that makes a strong argument for, if not the unification of Ireland, at least the unification of tax rates and fuel rates within Ireland. I accept that there is a specific context, and if the road haulage forum looks specifically at Northern Ireland's concerns, that would not be overdue. I appreciate the candour with which the hon. Gentleman spoke unlike most Opposition Members.

Earlier in the debate, I got a facile little knock back from the shadow Chancellor, who told me that I had not been in Parliament long. I wanted to know why there was no mention of the road escalator in the Conservative motion last Wednesday—not weeks or months ago, but last Wednesday, when the Conservatives could have at least have flagged up their concern about the abolition or otherwise of the fuel escalator. Given that there was nothing in their motion, I thought that they would at least table an amendment to clause 2 tonight. We now know why nothing has been tabled: it is because we have heard almost as many positions on the fuel escalator as we have had Conservative speakers. They are not sure whether they want to get rid of the fuel escalator completely, get rid of it next year, freeze it this year, freeze it for ever, think about it or do nothing with it. None of them will commit themselves to saying what they will do by the

[Mr. McNulty]

time the next election rolls around. They will go into that election committed to a fuel escalator. They do not have a clue.

Mr. Paterson: What will the hon. Gentleman say to the hauliers who will be closed down and put on the dole by the fuel escalator? Will he explain to them that he voted for the fuel escalator tonight?

8.15 pm

Mr. McNulty: The very first thing that I shall say is, "Don't look to your friends in the Conservative party, because they put 5,000 people on the dole, and no one who has gone on the dole so far has done so because of this measure."

We are told that it was all right for the previous Government to introduce a fuel escalator—I shall not go into history—because our fuel prices were the lowest in Europe. Figures from the Library, which I quoted in an earlier intervention, show that, short of Italy, of the 12 member states of the EU at the time, Britain was second. Ten other countries had lower fuel rates. *[Interruption.]* The right hon. Members for Wells (Mr. Heathcoat-Amory) and for Horsham (Mr. Maude) are not interested in the truth. Those are House of Commons Library figures. That is the second time that Conservative Members have challenged figures that come not from me, other hon. Members or vested interests, but from the Library. I thought that the Library's neutrality was recognised and that it was against the conventions of this place to challenge its figures.

The little schoolboys opposite giggled when I suggested earlier that it does matter that for every £10 spent on fuel, we accept that £8.50 is tax. However, £7.70 of that £8.50 is down to the previous Government. I say that with no malice; it is just a fact. Conservatives should remember that we are talking about the small differential between £7.50 and £8.50.

I go further and say that, since the introduction of the escalator—

Mr. Brady: Will the hon. Gentleman give way?

Mr. McNulty: Of course—it is always fun.

Mr. Brady: Is the hon. Gentleman really suggesting that in 1979, the level of duty was zero?

Mr. McNulty: I shall not bother letting the hon. Gentleman intervene again if that is the best that he can do. He has said nothing.

Since the escalator was introduced, 26p on each litre is accounted for by what one might call the Tory escalator, and only 7p is accounted for by the last three Budgets. Conservative Members do not dwell on the fact that the Treasury has picked up on the Select Committee's suggestion and will review the entire use of this tax next year. [HON. MEMBERS: "Ah."] There is no "Ah" about it. My hon. Friend the Member for Brent, North (Mr. Gardiner) said that, and there was simply no dissent.

Listen to this line very carefully: I should like to congratulate the previous Conservative Government on introducing the fuel escalator.

Mr. Tim Collins (Westmorland and Lonsdale): Will the hon. Gentleman give way on that point?

Mr. McNulty: On what? On congratulating the Conservative Government? Of course I will.

Mr. Collins: If it was such a good idea, why did Labour Members oppose the fuel duty escalator? Why did they go around the country attacking the so-called 22 tax increases from the Tories, five of which were that?

Mr. McNulty: I repeat: I should like to congratulate the previous Conservative Government on introducing that tax—not all 22 taxes and the handful that were not counted in that figure. That tax made sense. It also makes sense within the context of clause 2, not least for the environmental reasons suggested by hon. Members, but because the increases are an important part of our strategy to reduce carbon dioxide emissions.

Let us listen to the complacency of Conservative Members: "We have done that. Tear up the Kyoto agreement. It no longer matters. Tick the little box—done." What a deep understanding that shows of the environmental impact of those emissions. One right hon. Member said that

"transport must contribute to any strategy to reduce carbon dioxide emissions."

Who can disagree with that? Certainly not the right hon. Member for Wells as those are his words.

This issue is and must be about balance. That argument has been sadly lacking in this debate. Everyone accepts that it is about balance. Although it is about environmental concerns, it is also about keeping people in business and keeping freight running around the country, whether by road or by rail. It is also partly about revenue for the Exchequer, but as has been said,

"I know that a car is often a necessity, but all motorists must think about the environmental consequences of what they do." [*Official Report*, 23 January 1995; Vol. 253, c. 103.]

Who would disagree with that statement? It is as relevant now in 1999 as it was in 1995 when, again, the right hon. Member for Wells said it.

We are lost in the mythology that, since 1 May 1997, everything in the rural economy has been destroyed and put asunder, which is absolute nonsense. We accept that some things are more expensive in rural areas, but others are more expensive in urban areas. Four years ago that did not matter at all, but now, in the Conservatives' feeble attempt at opposition, it does. They argued then that that was the interplay of the market; now, who knows what they argue?—it depends who one talks to.

There are three key elements of Conservative Members' opposition. I am grateful to my right hon. Friend the Minister of Transport, who explained them far more accurately than I last Wednesday. The same is true of clause 2. To sustain their opposition to clause 2 and, sadly—depending on whom one speaks to—their complete opposition to the road escalator, the Tories have had to bad mouth the haulage industry by calling it uncompetitive. In the round, it is not.

I was present last Wednesday and I have been here for much of tonight's debate, and apart from some hot air, no Conservative Member has suggested that the costs of British haulage companies compared with those of companies on the continent make British companies anything other than extremely competitive.

Mr. Paterson: Will the hon. Gentleman name one Conservative Member who has accused the road haulage industry of being uncompetitive? I remind him that the Minister of Transport in Wednesday's debate and the Chief Secretary today went on about the 30 per cent. empty loads run by the haulage industry and accused it of being uncompetitive. No Conservative Member has said anything about that.

Mr. McNulty: That takes disingenuousness to a higher plane than I ever could. The underlying assumption of much of what Conservative Members have said today and of what they elaborated on last Wednesday is that—as one of them said, but I cannot remember which one—this is the straw that breaks the camel's back. They argue that the industry is hobbling along, and that the provisions outlined in clause 2 will mean death and destruction to the business of the haulage industry up and down the land. If that is not implying that the industry is not competitive and robust, I do not know what is. Every Conservative Member has suggested that in one form or other. They are completely wrong.

Conservative Members also argue that all the difficulties ever laid at the door of the British road haulage industry began on 1 May 1997 or thereafter with the three Budgets that the Government have introduced, including this one. That is at best a gross over-simplification of the prevailing situation, and at worst extremely misleading.

Mr. Tim Loughton (East Worthing and Shoreham) *rose—*

Mr. McNulty: Is the hon. Gentleman waving at me or does he wish to intervene?

Mr. Loughton: Will the hon. Gentleman give way?

Mr. McNulty: Yes, of course.

Mr. Loughton: I hate to disrupt the hon. Gentleman's flow, but he says that things have not changed since 1 May. Does he acknowledge that on 1 July 1998, with the ending of cabotage restrictions in the European Union, European lorry drivers were able to pick up British loads and take them to British destinations? That made the competitiveness argument that he is trying to espouse entirely fallacious.

Mr. McNulty: With the greatest respect, the hon. Gentleman is being fallacious. He knows as well as I do that that had an insignificant and minimal effect on penetration into the British market. It would go beyond the scope of the debate to talk about Brit sign or Brit pop and the other matters that Conservative Members were discussing last week, but we could go into further detail and expose the hot air that Conservative Members produce. They have no response at all. Blaming Government policies is, at best, an over-simplification and, at worst, extremely disingenuous.

Others have waxed lyrical, so I shall not dwell on this point, but the third key pillar of the Conservatives' opposition to clause 2—they cannot be bothered to table an amendment, so they are not that bothered—is the "not me guv" approach that they have rehearsed at length. They argue that it is nothing to do with them, and that the world stopped on 1 May 1997. The £7.70 out of £8.50 tax for every £10 of fuel is nothing to do them: it was all invented on 1 May.

The substance of the Conservatives' opposition is meaningless. They offer no alternative. No one would dispute that many industries go through cycles and have difficulties. We accept that the road haulage industry has difficulties, which is why we have listened and have set up the forum. In a range of other areas, such as corporation tax and the freeze on road tax for 98 per cent. of lorries, which is unfortunately beyond the scope of the debate, we are tackling many of the industry's concerns.

It is not enough to pooh-pooh environmental concerns, because they remain important. Clause 2 needs to be seen in the context of the Government's efforts to improve transport, the environment and the general corporate taxation regime. It is a matter of balance, but to say, as Conservative Members have said, that the road fuel escalator causes all the difficulties throughout the road haulage industry is absolute bunkum. To imply that freezing or getting rid of the escalator, as they do, would eradicate all the problems of the road haulage industry is hogwash.

If the Tories are the best that the haulage industry can do for friends, it is in very real peril. Conservatives Members have shown, by tabling no amendment tonight and by offering no suggestions last week, but merely carping, that despite their weasel words, they care nothing at all for the haulage industry. By their actions tonight, they could not care less about the environment. They are simply exploiting the haulage industry in yet another sadly feeble, two-faced attempt at opposition, and they are pathetic.

Mr. Ruffley: Listening to this debate, I am surprised that the Labour party continues to press the claim that what the Government are doing in this clause is not so very different from what the previous Conservative Administration did. I remind hon. Members that the Government introduced three important changes after 1 May 1997, which have considerably increased the road fuel tax burden in this country. Those changes were nowhere listed in what is laughingly referred to as the Labour party's 1997 manifesto. The Labour party gave no indication to the voters of the impending road fuel hikes that awaited them.

The first change was the increase in the road fuel escalator to 6 per cent. I shall later address the fact that it was increased from 5 per cent., but it was a significant increase.

The second increase was through the reduction of the differential between diesel duty increases and increases in ordinary fuel duty. It was about 5p per litre in 1994, and it was reduced in March 1998 by 1p and to 2.5p in this Budget. That has led to a huge increase in diesel duty for road hauliers and other users of diesel.

The third change from Conservative party policy was the timing of road fuel duty changes in the Budget, which has increased the tax take. That is a sleight of hand worthy

[Mr. Ruffley]

of a party that is a specialist in stealth taxation. The Government introduced a change in road fuel duty in their emergency Budget on 2 July 1997 to take effect that day, bringing it forward from the November increase that everyone had expected. They introduced an increase in the March 1998 Budget, bringing forward the changes that would otherwise have taken place in November 1998. Those timing changes have resulted in huge increases.

Let us examine the nature of those increases. In a parliamentary answer on 19 March this year, the Economic Secretary told my hon. Friend the shadow Financial Secretary that the extra revenue taxation from road fuel duties on unleaded petrol since July 1997 was £350 million in 1997–98. On the hon. Lady's figures, in 2001–02 that will rise to a massive £1,000 million—£1 billion—extra, over and above the Conservative plans, as a result of the tax changes that the Government are making.

8.30 pm

We should also look at an answer that the hon. Lady gave on the same day, which reveals the extra revenue raised by the diesel tax changes. It is clear that, in the first three years of the current Parliament, an extra £0.9 billion will have been raised by the Government's changes relating to DERV; and it is possible to deduce that, over the last two years of the Parliament, an extra £1.9 billion will have been raised in diesel duty revenue.

Any suggestion that the plans the present Government are introducing, and have introduced, are comparable to taxation introduced by the last Administration is exposed by the Government's own figures. It really will not do to suggest that there is little difference between us.

Mr. Gardiner *rose—*

Mr. Ruffley: I give way to the hon. Gentleman, with a due sense of anticipation and dread.

Mr. Gardiner: The hon. Gentleman has made much of the assertion that timing changes were critical, as was the stealth with which those changes were introduced. Does he accept that, in their 1992 manifesto, the Conservatives campaigned against the introduction of an escalator, that they introduced it in March 1993, in their first Budget, and that in November of the same year—in another timing change—they increased the duty by not 1 per cent. but 2 per cent.? What the hon. Gentleman has accused us of doing in the first year of our Government is exactly what the Conservatives did in 1993. Has he dared to calculate the increase in the revenue taken by the Chancellor at that time?

Mr. Ruffley: I deduce from what the hon. Gentleman has said that he accepts that this sleight of hand is a stealth tax, and that the timing change has increased road fuel revenue far above the level at which it would have been had Conservative plans and policy been maintained. The truth is that his Government have increased the tax. But there is another respect in which the Government's road fuel taxation policy differs from that of the last Conservative Administration—

Mr. Collins: On a point of order, Mr. Lord. Is it in order for the usual parliamentary convention that an hon. Member remains in the Chamber to hear the speech after his to be broken by the hon. Member for Harrow, East (Mr. McNulty)—especially when so many hon. Members have remained in the Chamber for so long in the hope of speaking?

The Second Deputy Chairman of Ways and Means (Mr. Michael Lord): Who remains in the Chamber and who does not is not a matter for the Chair, although, as the hon. Gentleman says, it is a convention for hon. Members to stay.

Mr. Ruffley: The Government's road fuel taxation policy differs from that of their predecessor in another respect. We had realistic ways of meeting the environmental objectives that were a treaty obligation of this country, Kyoto being the most notable example. It is entirely right for environmental targets to be met, but, as I say, our policy was founded on realistic, pragmatic taxation solutions.

The Minister has specific objectives. She herself has said that the increased road fuel duty escalator introduced by her party will result in—I cite a parliamentary answer—an 8 per cent. reduction in greenhouse gas emissions between 2008 and 2012. Indeed, the parliamentary answer is more specific: it states that, as a result of the road fuel duty escalator, on the assumption that it will continue until 2002, between 2 million and 5 million tonnes of carbon will be reduced per year.

How can the Labour party be so specific? It is asking us to believe that a 6 per cent. real-terms increase in road fuel duty will hit the target: not 7 per cent., not 8 per cent., not 4 per cent., but 6 per cent. Let me say to the Minister, for whom I have some regard, that the basing of the objectives that she has mentioned in the House on such indicators as the Department of the Environment, Transport and the Regions' 1997 national road traffic forecast is viewed with considerable scepticism by independent commentators and Conservative Members. If she is asking the public to believe that a 6 per cent. increase is the way in which to deliver those rather spurious targets, she must be living on another planet. It is on that basis that we can say that 6 per cent. is wrong, and that we will vote against it tonight.

Mr. William Ross: I shall be happy if the Minister confirms this in her winding-up speech, but it appears to me from what the hon. Gentleman has said that the savings would arise if all the fuel was burned in British lorries. Not all that many trucks are made in the United Kingdom. Surely the fuel will be burnt at the same rate, regardless of who is carrying it, but it will not be carried in British-owned lorries any more; it will be carried by those who are buying the cheapest fuel.

Mr. Ruffley: The hon. Gentleman makes a good point. I trust that the Minister will address it when she winds up the debate.

I believe that the assumption that only a 6 per cent. increase will hit the environmental objectives is bogus; but the problem gets worse. In its "green Budget" report in January, the Institute for Fiscal Studies—a distinguished independent body, as we all know—said that there was an inherent contradiction in the Government's excise duty policy. On the one hand, they

see it as a revenue raiser; on the other, they want to affect behaviour. They want to cut down car use and emissions; they want to persuade people to use less petrol and other fuel. Both cannot be right, opines the IFS.

Mr. Gardiner: Will the hon. Gentleman give way?

Mr. Ruffley: I will—again, with a due sense of dread.

Mr. Gardiner: I am grateful to the hon. Gentleman for giving way again. Does he recall the right hon. and learned Member for Rushcliffe (Mr. Clarke), as Chancellor, saying at the Dispatch Box that the introduction of the escalator at 5 per cent. was intended both to raise revenue and to affect behaviour?

Mr. Ruffley: I wish that I had not bothered to give way. I will press on, as others wish to speak.

As my hon. Friend the Member for North Wiltshire (Mr. Gray) rightly said, consumption of petrol in rural areas will not be choked off by these tax hikes. For many of my constituents a car is not a luxury but a necessity. They are continuing to use their cars; it just means that they are worse off as a result of the tax hikes being imposed on them. We need only look at the revenue assumptions to which I referred earlier, and at the Red Book, to see how the revenue take is increasing. I do not believe for a minute that behaviour will be affected significantly; certainly those in rural areas will continue to use road fuel, and they will pay a high price for doing so.

Mr. Drew *rose—*

Mr. Ruffley: I will not give way, as time is short.

Let me, unashamedly, say something about my own rural constituency of Bury St. Edmunds. In a survey that I conducted shortly before this year's Budget, I wrote to 1,000 businesses, including many small businesses. Overwhelmingly, their main concern was the prospect of increases in road fuel duty. I also received a large mailbag about the regressive nature of the tax. Many of my constituents have low incomes, and many live in far-flung villages. They have to use cars to get to work. A typical letter was one that I received from a constituent in Rickinghall—one of those far-flung parts of my constituency. That constituent pointed out that the car was a necessity, and said that buses were no use at all. The inconvenient times involved, and the infrequent arrival of buses, had not been alleviated by the rural transport fund. My constituent said that the fund had done nothing for her, that her neighbours had had to pay higher fares in the last six months, that journeys took longer and that the service from Rickinghall to Bury St. Edmunds was more unreliable.

Businesses suffer because of the tax increase. Only last week, the proprietor of Cracknell's garage, in Thurston—another village in my constituency—told me that his garage was now losing a huge amount of trade. As his once trusty customers are being so hard pressed by the road fuel tax hike, they have had to go to the big hyperstores in Bury St. Edmunds and Stowmarket. He was wondering whether he would be able to continue with his small business, in a small village.

I have had representations from many hauliers. As my hon. Friend the Member for Witney (Mr. Woodward) observed, many hauliers are small family businesses—the type of businesses that I thought the Government were keen to encourage. The Miles Company, in Great Ashfield, in my constituency, H. G. Moore and Son, in Walsham-le-Willows, Bacton Transport, in Stowmarket, and many other small hauliers have said that they think that they will be pushed to the wall by the increase in diesel tax.

I have received from a notable haulier in my constituency—Mr. Hugh Wilson—a particularly worrying letter on the issues of competitiveness and foreign competition. He described the recent, worrying story of a well-known international trailer operator, operating out of Felixstowe, who used a local Suffolk haulier's tractor units to haul his trailers. After the Budget, the local haulier asked the international operator for an increase, from 92p to 95p per mile, which was designed to cover only the cost of the extra diesel and not of the vehicle excise duty increase.

The international operator replied that he could not afford it. More importantly, he said that he was acting on the basis of a quotation that he received from a Dutch haulier, who offered to come over to Suffolk and to do the work in the United Kingdom for 90p per mile. It is an example in Suffolk—which is not so very far from the continent—of damaging foreign competition, and Mr. Wilson was surely right to draw attention to the threat, which the Government have done precious little to deal with in their remarks, either inside or outside the Chamber.

I should like, finally, simply to underline the callous indifference shown particularly by the Chancellor of the Exchequer to the effects that his road fuel duty hikes will have on rural areas. When he appeared before the Treasury Select Committee—of which I am privileged to be a member—I asked whether it was inconceivable that he might reduce the road fuel duty escalator below the plans that he announced. In his typical way, he said that he thought there had been a consensus on the road fuel duty escalator, and that it would be a pity if that consensus were broken.

I do not know what planet the Chancellor lives on, but he has not been paying any heed to what the Confederation of British Industry said in its public remarks and in its evidence to the Select Committee. Kate Barker of the CBI has said that there must be "real concern" about the viability of the escalator continuing into the future.

It would have been nice if the Government Benches had been filled with Labour Members representing rural constituencies—which they allegedly represent—so that they could tell the House what their constituents say about the escalator.

Mr. Drew: Will the hon. Member give way?

Mr. Ruffley: I shall not give way—*[Interruption.]* I should like to allow other hon. Members to speak.

Today, those Labour Members with a well-earned reputation for joined-up sycophancy have merely re-established and reasserted their claim to that reputation. It is disgraceful that the Government Benches are so poorly populated with hon. Members addressing the issue of the escalator's effects. The hon. Member for Workington (Mr. Campbell-Savours) is an honourable exception to that.

[Mr. Ruffley]

On road fuel duty increases, the Economic Secretary to the Treasury has said, both inside and outside the House, that the "polluter pays". But that is wrong, because rural communities pay. I trust that rural communities will make the Government pay at the ballot box, and sooner than the Labour party thinks.

8.45 pm

Mrs. Gorman: I have been appalled at Labour Members' indifference to the plight of that group in our society whom they always prefer to champion—the working man. I never thought that I would live to hear such indifference coming from a Labour Government, whose entire thesis is that they exist to serve the interests of those whom they claim other parties neglect. I make an honourable exception of the hon. Member for Workington (Mr. Campbell-Savours), who made a very good speech in support of his working people.

The Government are endangering jobs. Yet, today, I saw the Government Chief Whip laughing at such a prospect, as if it were some sort of joke. The Government are threatening the care of our children, making it more difficult to get them to school and to pay school transport fares. The practical effects of increasing fuel duties are felt not only by large haulage companies, but—as has been pointed out time without end in this debate—by small firms and those whom they employ.

Mr. Gardiner: Will the hon. Lady give way?

Mrs. Gorman: I shall not give way to the hon. Gentleman. He has talked enough piffle for one day.

I met a driver who works in the haulage business, and he explained how many people of relatively low skills find their occupation in those industries, which are extremely important to them—*[Interruption.]* He said that, when fuel duty is increased, the only thing that they can do to improve their wages is to work extra hours. When fuel costs rise—he was complaining about the specific increase in the Government's most recent Budget—proprietors try to keep competitive by lowering prices. Therefore, services are usually not cut, but wages are driven down. Ultimately, those who will suffer are the workers on the job. I do not think that Labour Members accrue any credit by laughing at those people's plight, which is the reality.

Concerns have also been expressed about the plight of farmers, who are already having a rough time of it. My farmer—farmer Philpot, whom I should like to get into the record—came to see, and said that the problem is not, as has been pointed out, duty-free red DERV for his tractor, but the fact that he has to get his goods to market. He grows loads of potatoes, and needs to use his vehicle to get them to market. The potato market is highly competitive, and he has to compete with subsidised potato farmers in Holland who export to the United Kingdom.

A great part of the frozen chip industry will go for the cheapest spud they can get, which means that growers like farmer Philpot are put in an impossible position. He sells goods almost below cost when he suffers such great duty increases. It is the reality of what is happening.

I am surprised that no hon. Member has yet mentioned taxi drivers, who are usually quite vociferous. Taxi drivers, too, have been forced to press for increases in their fares. Nevertheless, the Government say that they want to get everyone out of his car and to use more public facilities. The Government are—at their peril—indifferent to the plight of taxi drivers.

The Government have been particularly indifferent, callous and insulting to the drivers who have come up to London to make their case, albeit on the streets. The party of public demonstrations is now callously indifferent—almost insulting—to those who are bringing their case to our attention.

I am old enough to remember the days of the previous Labour Government, and the strikes that they precipitated because of their policies, which led to their absence from government for two decades. I warn them that by taking that attitude to the working man, they are in danger of alienating the very people whom they claim to represent.

The issue of the environment has been raised time and again. These days it always seems to be prayed in aid by any Minister bereft of a good argument. Today we have heard yet again that the fuel duty escalator will help the environment. However, the fallacy of that argument has been pointed out, in that no one suggests that the goods will not go to market, simply that the petrol, or diesel, will be bought more cheaply, even if that means it being smuggled into the country.

It is true that policies influence human behaviour. That is why most of our shipping is flagged out. The domestic costs and taxes on shipping were too high, and services were provided more cheaply abroad. The booze running and booze cruising that is now so widespread happens because people can avoid taxes by buying what they want abroad—as they will also do with fuel. That is inevitable, and the Labour party will not be able to stop it.

Even children's health, as so often, has been dragged into the argument. The Chief Secretary said that children get asthma from the pollution caused by cars and lorries. I feel great sympathy for children with asthma, but there is much evidence that asthma is caused by dust mites in the home, which are both common and numerous, and whose faeces form an integral part of the domestic environment and the air in the home. They are as likely to be the cause of asthma as petrol fumes are.

We keep hearing about millions of tonnes of carbon, but we are really talking about carbon dioxide, not the substance carbon, which is a black dust. The pollutants emitted by cars and lorries have now been reduced by more than 90 per cent., and most of the carbon dioxide produced in the environment does not come from vehicle exhausts, which account for only 20 per cent., if that. Most of it comes from the burning of fuels, especially fossil fuels used for heating.

Mr. Gardiner: Will the hon. Lady give way?

Mrs. Gorman: Please do not keep interrupting me. I am trying to finish what I am saying so that other Members can speak.

Younger people probably do not remember this, but I am old enough to remember real air pollution, which was caused by the combustion of coal in domestic fireplaces. The air today is in a state of pristine cleanliness in comparison with the air then. To suggest that we are not making progress is ridiculous, and it is untrue to say that the amount of carbon dioxide emitted by motor cars is highly significant.

There are fewer than 300 parts per million of carbon dioxide in our atmosphere. Even if we reduced that proportion, a tiny reduction in the level of something that is already present in only minute quantities would be of infinitesimally small significance. Therefore the whole argument is fallacious.

If the Government wish to improve the environment, they should concentrate on helping industries, especially the car industry, to remain profitable and to produce alternative engines that can use more environmentally friendly fuels. It has been brought to my attention by the Ford plant in my constituency that Government taxes are making it more and more difficult for the company to carry out such research.

Ford tells me that the "conflicting requirements of policies" have been responsible for affecting the amount of research that it can do on making lighter engines, which would reduce fuel consumption, and on the combustion efficiency of fuels. The company points out that Government requirements, and the deflection of its profits into what turn out to be unfruitful areas of research, reduce the amount of investment that it can afford to make.

The hon. Member for Braintree (Mr. Hurst) recently contributed to my local newspaper—a contribution that will please the hon. Member for Workington, because it reveals the fact that there is another honest Labour Member of Parliament. The hon. Member for Braintree reported that the Minister of Transport had said that 50-lorry fleet proprietors were in a better position than their continental competitors—as if most fleets in this country consisted of 50 lorries or more. Fifty lorries would constitute a very large fleet—the Stobart type of operation, which has already been mentioned. Such considerations do not affect most of the small contractors who form the backbone of the industry.

The Minister of Transport was also reported as having said that the people protesting in London were

"'a trouble-making minority' for creating traffic chaos. He told them they would lose further ground if they held the capital to ransom".

That was a veiled threat to people who are simply trying to protest about the fact that their jobs are being put at risk.

The hon. Member for Braintree said:

"Hauliers are concerned about future viability".

So am I. The hon. Gentleman has shown us that there are Labour Members who understand the necessity of supporting the people who elected them. Perhaps the fact that his majority is only 1,400 might help him to be more sensitive to the needs of the hauliers.

We never seem to learn that if tax is taken from one individual and given to another, there is no increase in revenue; revenue is simply shifted from one source to another. The people who lose cash when Peter is robbed to pay Paul are those whose livelihoods suffer.

The hon. Member for Pontefract and Castleford (Yvette Cooper), despite being married to the Chancellor of the Exchequer's personal assistant, made the amazing suggestion that Conservative Members were complaining because the Government had spent more money on health and education. That is a ludicrous argument—as if the £1.6 billion increase that the fuel escalator represents were intended for that purpose.

My final quotation from my constituency comes from Mr. Mark Boon, who runs a firm with 20 employees and 14 coaches. He says that the tax will cost him £8,500 a year. He says:

"These costs are endangering people's jobs. It wouldn't be so bad if we could see that extra money paying for improvements to our roads infrastructure, but that is never the case."

The £32 billion that the Chancellor already obtains in fuel duties is not used to improve transport facilities—not a bit of it. The money is largely squandered on vote-catching, on job creation schemes and other nonsense, most of which does nothing to increase jobs. However, the tax changes in the Budget add up to an awful lot of jobs destroyed, and Labour Members could not care less.

9 pm

Kali Mountford (Colne Valley): I was disappointed earlier that duties elsewhere meant that I could not be here all afternoon, but the contributions that I have heard show that I have not missed much. The hon. Member for Billericay (Mrs. Gorman) seemed to argue for hypothecation of all taxes in all circumstances. That is extraordinary: I do not remember any Tory Chancellor of the Exchequer ever arguing that all taxes must be hypothecated to particular purposes. An argument can be made for hypothecation, but not in this case.

In light of the polluter-pays principle, however, we must recognise that the rise in incidence of asthma has been remarkable, especially in young children. To say that it is caused not by increased vehicle exhaust fumes but by dust mites is extraordinary, especially as dust mite-free mattresses are more commonly available than ever before. It is hard to believe that the hon. Member for Billericay should have cited that argument to the Committee, but she did and I felt bound to rebut it.

Conservative Members seem to have forgotten that it was the previous Conservative Government who signed up to the Rio convention and who said that emissions were too important and too dangerous to the atmosphere to be ignored. At the time, I thought that that was admirable, but Conservative Members seem, quite cynically, to have changed their stance, merely for the sake of a debating point that makes them look different. They claim that there is no evidence to support the view that the proposal will reduce pollution. It is all most extraordinary.

In the Opposition debate on haulage last week, I asked the shadow Chief Secretary, the right hon. Member for Wells (Mr. Heathcoat-Amory), why the previous Conservative Government introduced the fuel duty escalator in the first place. The right hon. Gentleman said that he would answer that later in his speech, but he did not do so. In fact, my right hon. Friend the Chief Secretary was able to give me the answer to my question. He told me that, at the time, the previous Conservative Government said that the important thing was to reduce pollution.

Mr. Gardiner: Does my hon. Friend agree that, although the Conservative Government introduced the escalator in 1993 to amend behaviour and reduce the amount of road haulage journeys, they knew that people in the road haulage industry would be put out of work? The crocodile tears shed by Conservative Members over unemployment in an industry that they targeted are hard

[Mr. Gardiner]

to believe. At least we make no bones that we are trying to get people to change their behaviour and to move them off the roads and onto rail and other means of transport.

Kali Mountford: My hon. Friend is right. The contributions of some Conservative Members have already been quoted to make that point. It is certainly true that the previous Conservative Government knew what they were doing with the introduction of the escalator. However, they believed it to be the right thing to do: they knew the consequences, and they expected there to be certain changes in people's behaviour. There may have been overcapacity in the industry—there may still be—but there was also an expectation that drivers would not carry on with the old technology that produced the pollution, but that they would switch to more fuel-efficient engines.

Conservative Members have also made some nonsensical arguments about going abroad to buy petrol. I represent a rural constituency in the north. One of my best friends is a lorry driver, so I speak with some knowledge of the industry. My friend is not a member of the Labour party and does not lobby me regularly, but I see him every week. He would not dream of driving to France to buy fuel. That would be ridiculous, and a completely uneconomical way to behave. He has not once complained to me about the fuel escalator, and he has ample opportunity to do so if he wants. He understands what our policy is about. He appreciates that the policy is part of a lot of tax changes. Since I came into the Chamber, I have not heard Opposition Members refer to the massive reduction in corporation tax for small and large businesses.

Mr. Brady *rose—*

Kali Mountford: I hope that it is worth it.

Mr. Brady: I merely meant to draw attention to the very intelligent remarks made by the hon. Member for Workington (Mr. Campbell-Savours) on that point. He pointed out the difference of scale between a major company losing £1 million a year because of the fuel escalator and gaining a few thousand pounds from corporation tax. Perhaps if the hon. Lady had been here for the whole debate, she would be able to make a more intelligent speech.

Kali Mountford: Those remarks were very flattering to my hon. Friend the Member for Workington (Mr. Campbell-Savours), and, given their source, I consider myself flattered, too. The hon. Gentleman has never said anything so wonderful about a Labour Member before, but I prefer not to be in his company normally.

It often happens that some people gain more than others, but the hon. Gentleman is talking about large businesses. For small businesses, the result is quite different. He is missing the point. Of course some will gain and others lose, but the overall effect will be a change in behaviour. No hon. Member should be against that because pollution is far too important. There has not previously been any dissent about the idea that the polluter should pay, and I am alarmed to hear it raised on this matter.

I represent a rural constituency, and I have heard some remarkable comments with which I cannot possibly associate myself. I have had exactly three letters complaining about the fuel escalator. Two came from hauliers who were obviously part of a concerted attempt to change Government policy. I do not denounce them for that; I would seek to protect my own interests if I were in their position, rather than considering the wider interests of the whole community.

The other letter came from a lady who did not need to use her car, but did not like buses. She preferred her car and complained that the £50 million—and the additional £20 million—for rural buses would be of no benefit to her because she simply did not like to stand outside waiting for buses.

Conservative Members spent some time saying that buses were inefficient, that they did not run when people wanted them to, that timetables were wrong and that buses were not convenient. They should come to my constituency where bids have been made to the rural transport fund and where considerable change in rural bus provision has already begun. Even before funds were made available, consultation and sensible discussion with the local bus company meant that timetables were making the company more profitable. That made it more likely that people would use rural buses that ran on time, at the times when people wanted them and which were reliable, efficient and comfortable.

Mr. Loughton: Does the hon. Lady admit that one of the biggest losers from the added increase in diesel fuel will be community buses, which do not receive any fuel duty rebate and on which a Conservative private Member's Bill was talked out by her Front-Bench colleagues?

Kali Mountford: Fortunately, my local council had the foresight to help community buses so much that the change has not affected their running. Indeed, more buses are available for schools than were before the general election. The hon. Gentleman's argument falls down there, and Conservative Members should use their negotiating skills to benefit their constituents instead of whingeing in the House. That would do far more good by doing something about improving bus services.

When we came into office, competition between buses was causing a fiasco on the roads. No wonder people would not use buses. Our changes have begun to take effect, and more are on the way. There will be two more bids—successful I hope—to the rural transport fund from my constituency, and I expect even greater change. Those changes mean that people in rural constituencies can get to work when they need to. It is nonsense to say that services do not run when they should. When we came into office it was true that subsidised buses ran only on Sundays but I am glad to say that that has changed in my constituency. The changes in the fuel duty escalator and the improved bus services mean that such a service is available. The arguments of Conservative Members fall apart because we are changing behaviour, and that change is essential.

We also need to change behaviour in respect of freight. A shift to rail would be a good thing but I do not think that Conservative Members want it. They were against rail services throughout their period of office and they

maintain that still. They wanted to privatise the rail service which they said would improve competition and efficiency but it has signally failed to do so. Now we must do something about it. *[Interruption.]* They laugh because they do not like the arguments. However, the arguments are clear: the polluter should and must pay. They have not addressed that issue.

Mr. Brady: Will the hon. Lady give way?

Kali Mountford: If I must.

Mr. Brady: I am grateful, because I took exception to the hon. Lady's remarks about our attitude to rail freight. As joint chairman of the all-party rail freight group, I have always strongly supported rail freight but she must recognise that it is not available everywhere or for all freight flows. Her attitude in trying to force all freight on to the railways is unrealistic.

Kali Mountford: The hon. Gentleman knows that he is misrepresenting what I said. I did not say that all freight should go by train but that there are ways to encourage rail freight. A road haulier challenged me one night in a pub, in a rather unfortunate state—

Mr. Brady: You or him?

Kali Mountford: It certainly was not me. Although it was my wedding anniversary that day, we had not started drinking then. That gentleman challenged me about rail freight and said, even before the present debate started, that we favoured rail over road. Once we started discussing how he could link to a proper transport system and create a service alongside rail, he became much more amenable. *[Interruption.]* Conservative Members have obviously had an enjoyable evening, probably more enjoyable than mine. They cannot make light of the measure because it is for a good purpose. The polluter must pay. We must reduce emissions into the environment, which is important for the health of children and elderly people. It is important to support rail services. If the hon. Member for Altrincham and Sale, West (Mr. Brady) holds the position that he mentioned, I am surprised that he does not support what I am saying.

Conservative Members have not said how they would fill the hole that they would create in our finances. They have not said how they would pay for services that could not otherwise be financed. Throughout the debate last week and tonight, not one has explained how he would fill the hole. They have merely said, "Oh, it is only £1.6 billion." What would that pay for? The hon. Member for Billericay talked about hypothecation and asked what it would be spent on, but the particulars do not matter. Let us consider the range of things that £1.6 billion could go towards.

Perhaps Conservative Members do not think that we should stick to our spending plans. Perhaps it is part of the Tory split. They have already said that they would continue our spending plans on health and education but they have not explained where they would find the money if they cancelled the fuel duty. They challenged us to reverse the decision but if they were in power—I bet that they wish that they were—I would bet my bottom dollar that they would continue with similar tax increases.

The reason for our decision is the same as that which made the Conservatives introduce the escalator in the first place: it was the right thing to do then. We supported the environment then because it was the right thing to do. It is the right thing to do now and Conservative Members ought to have the honour to support the measure.

9.15 pm

Mr. Edward Davey: I took some pleasure in the speech of the hon. Member for Colne Valley (Kali Mountford) because she brought us back to the reason why successive Governments have backed higher petrol duties, namely, the need to protect the environment. She mentioned the growing epidemic of asthma across the country. Many of our children are now affected by asthma. Policies such as the road fuel duty escalator are needed to ensure that we preserve our environment and tackle health problems.

Most of the debate has been a Punch and Judy battle between Government Members and official Opposition Members. It was most typified by the hon. Member for Harrow, East (Mr. McNulty), who is unfortunately not in his place now. In 16 minutes, he hardly made any substantive points, and he then had the discourtesy to leave the Chamber. The problem with his speech was that he did not deal with the need for environmental taxes, such as the escalator or with the need to consider how we compensate those who are affected and hurt severely by them.

Hon. Members from different parties have identified three groups who have been hit by successive rises in petrol duty—people who live in rural areas, road hauliers and the northern Irish economy. There is agreement that Northern Ireland is rather a special case with respect to the fuel escalator. We need to deal with the real problems for those three groups. We need to consider ways in which we can compensate them. We need to consider whether other environmental policies such as subsidised rural transport can be adopted so that we can meet our environmental goals without hitting those three groups. Perhaps we need to review the fuel escalator, the speed of change and the time scale.

There are three theoretical options when it comes to compensation. We could choose different rates of duty for different people or different areas of the country. We could make special target payments to those who are affected by the duty. Or we could make offsetting reductions elsewhere in the tax system to make some hypothecated compensation.

Let us take differential rates of petrol duty first. The road hauliers to whom I have spoken have talked about the fuel rebate idea that has been promoted in France. It is worth considering. I am not attracted to it for reasons of administrative cost. I think that it would be expensive to administer and it is open to huge abuse—

Mr. Campbell-Savours: And fraud.

Mr. Davey:—and fraud, as the hon. Gentleman says from a sedentary position.

Mr. Bob Blizzard (Waveney): If it is open to abuse and for administrative reasons we should rule it out, why is it worth considering?

Mr. Davey: We could see whether it would work, but my instinctive reaction is that it would be costly,

[Mr. Davey]

to administer. It is the Government's job to look at all options. If they can learn lessons from France on ways of keeping the costs down, of course we are open-minded about it, but my instinctive reaction is that it would be a costly way forward.

Differential petrol pricing is a possibility, but only for remote rural areas. For the vast majority of the country, it would be difficult to implement. There may be a case for a different petrol duty in Northern Ireland. I hope that the Government are at least considering that. It would deal with the particular problem that we have heard explained by various Northern Irish Members.

Mr. Drew: There is already differential petrol pricing. The big oil companies offer differential rates to garages in different parts of rural areas, depending on whether they think that those garages are competing with garages in nearby cities.

Mr. Davey: The hon. Gentleman makes a most important point. The differential pricing structure to which he refers often exacerbates the problems of those living in remote rural areas and validates the need to examine whether that option might offer some benefit to particular areas.

The second compensation option is the proposal to make specially targeted payments to compensate those people who are directly affected. For those in rural areas, it would be incredibly complicated to specify the geographical areas that would receive those benefits. There would be high administrative costs. Although it would be theoretically possible to compensate individual households in rural communities, it would be extremely difficult in practice. One would create perverse incentives.

The option could be considered for road hauliers. I think—at least, I hope—that the Government might be moving in that direction in respect of conversion costs for road haulage companies to help them to meet the cost of converting their fleets to more efficient and environmentally friendly fuels. There is a case to be made for one-off payments to help the industry to adjust. If the Economic Secretary could comment on that matter, it would be welcome.

I am most attracted to the third option: the offsetting of reductions in other tax burdens, especially in vehicle excise duty. The Government have gone a little way down that road—a tiny way—but they need to go much further. We believe that if car usage is to be taxed more severely—as this Government and the previous Government have done—the cost of ownership should be reduced. That should appeal to the Government because vehicle excise duty is an extremely regressive tax—it is a poll tax on the ownership of vehicles. If they want a progressive tax change that is pro-environment, they should reduce vehicle excise duty. That will appeal to low-income car users and be of special benefit to them. It will also enable the Government to sell a package of pro-environment policies to the wider motorist lobby.

Mr. Gardiner: The hon. Gentleman began his speech by pointing out that we had returned to the fundamental issue of health. He spoke about emissions and the way in which they particularly affected children's health. That was right, but I cannot understand why he believes that any increase in the costs of operating vehicles should be offset by a rebate elsewhere. That will not affect behaviour; it will not reduce the number of road freight journeys and, therefore, it will not affect the emissions that will be produced and their effect on our children's health.

Mr. Davey: I do not want to give the hon. Gentleman a lesson in the difference between fixed and variable costs, but the Government propose—and the previous Conservative Government said—that if the marginal costs of journeys are increased, an incentive to change behaviour is created. However, a reduction in vehicle excise duty would not bring that about. There would be no change in behaviour because the duty is a fixed cost—it is a cost of ownership. If that cost was reduced, there would not be a massive change in the number of cars on the roads. That is a ludicrous suggestion—I hope that the hon. Gentleman did not mean that.

Apart from the ways of compensating people for higher petrol duty that I have mentioned, we could consider alternative or complementary ways of meeting the same environmental objectives. The Government appear to be moving slowly down that road in respect of urban areas. The Greater London Authority Bill, which will reach Report stage next week, contains clauses covering charges for the use of cars in Greater London, a non-residential parking levy and road user charges. Those schemes have not been considered in detail. I think that the Government are trying to build up consensus on them before they deal with them in detail. None the less, those are permissive clauses that would enable a future mayor to introduce proposals for road user charges.

Road user charges help to target the incentives to reduce the use of motor vehicles on those areas where people have genuine alternatives, for example, suburban trains, the underground and urban buses. It is sensible to recognise that, because urban problems of congestion and pollution are far greater, we should not pile on the motorist taxes that apply equally to rural and urban areas. Road user charges give the Government a way to meet their environmental objectives while protecting those who live in rural areas. They would help in Northern Ireland and they would help many road hauliers as they cart their freight up and down the country because they would not necessarily have to enter metropolitan areas other than to make the end delivery. Road user charges offer a serious way forward that would get the Government off the hook, protect the three groups that have been identified in the debate and maintain the revenue base of Her Majesty's Treasury.

Mrs. Gorman: Will the hon. Gentleman give way?

Mr. Davey: I am more than happy to do so.

Mrs. Gorman: That is very sweet of the hon. Gentleman. I should like to direct his attention to the wonderful speech made earlier by the hon. Member for Workington (Mr. Campbell-Savours), who pointed out that road charges simply force the driver on to other roads for which there are no charges, thereby moving congestion to another area.

Mr. Davey: The hon. Lady refers to a point made by the hon. Member for Workington, but his analysis was

relevant only to the proposals on road user charging that were put forward by the Conservative Government in respect of motorway tolls. The road user charges proposed in the Greater London Authority Bill cover a larger area and would affect all roads, not only trunk roads or motorways.

Mrs. Gorman: He should have been here.

Mr. Davey: I was simply taking up the hon. Lady's analysis and account of the remarks made by the hon. Member for Workington. That argument applies only to large trunk roads and motorways, whereas, if the hon. Lady cares to read the Minister's speeches in the Standing Committee on the Greater London Authority Bill, she will see that the Government's proposals on road user charges would apply to an entire area and not to specific roads, so the problem she identifies would not occur.

Kali Mountford: The hon. Gentleman was making a case in which road usage in urban areas was set against the problems of rural areas. Does he recognise that some people in rural areas moved out of urban areas because they could afford to and that they have changed the social environment in rural areas; and that within rural society is a poorer group of people who have become dependent on cars because of the demise of bus services and who buy clapped-out old bangers that put into the atmosphere dreadful emissions which we all have to breathe and which affect greenhouse gases, whether they are emitted in rural or urban areas? Is it not also necessary to improve the transport infrastructure so that we can get people who cannot really afford to run cars on to buses?

Mr. Davey: I had hoped that I had made it clear that I agreed with the hon. Lady on that point.

I was addressing the question whether there were alternative charging mechanisms or taxes available to the Government that would enable them to achieve their environmental objectives but would not require an ever-rising fuel escalator. Road user charges are one system that the Government should consider, as are vignettes, and I hope that the Minister will tell the Committee that they are actively considering those options.

Another option to which the Government appear to be sympathetic is lower taxes on environmentally friendly fuels. I should like the Government to publish a strategy on how they intend to introduce environmentally friendly fuels over the next 10 years. It is important that the Government should direct that effort, because they need to give those who are developing those fuels a clear indication of the likely tax system over the next 10, 15 or 20 years. There are huge costs of introducing such fuels, such as those of developing supply networks throughout the country, and the Government have to give a signal as to which fuel they intend to give their backing. There are many potential fuels that the Government could support: we have heard about LPG, but there are other clean-fuel technologies, such as cell fuels, in development and it might be possible to use them in standard motorised vehicles within the next five to 10 years.

In conclusion, the Liberal Democrats support the Government in trying to hit the environmental objectives that they signed up to in Kyoto, and we acknowledge that higher fuel duties are part of that strategy—as the Conservatives used to concede. However, we believe that the Government have yet to advance a coherent set of policies to compensate people who cannot escape the higher duties and who are adversely affected by them—namely, those who live in rural areas and in Northern Ireland and the road haulage industry. For that reason, we cannot support the Government tonight.

9.30 pm

Mr. John Whittingdale (Maldon and East Chelmsford): This has been a good debate, with several well-argued speeches from both sides of the Chamber. I begin on a conciliatory note. I warmly welcome the Government's decision to reduce the rate of duty on road fuel gas. The previous Conservative Government first cut the duty by 15 per cent. in 1995 and by a further 25 per cent. in 1996 in recognition of the fact that the use of liquefied petroleum gas and compressed natural gas reduces the level of almost all air pollutants. I am glad that this Government are continuing that policy by introducing a further cut in this Budget.

There is still some way to go. This cut in duty will undoubtedly help to encourage people to switch, but a clear disincentive remains in the form of a lack of refuelling points. I was concerned to learn recently that British Gas intends to close eight outlets, including one at Bradwell in my constituency. Another inhibiting factor is uncertainty about the future. Consumers and fleet managers need assurances that the favourable differential will be maintained. I therefore hope that the Minister will respond to requests from the industry, as mentioned by my hon. Friend the Member for Cotswold (Mr. Clifton-Brown), that the Government commit themselves to maintaining a favourable regime for at least the next five years.

I am afraid that there is much less agreement between us on the increase in petrol duty. Many hon. Members referred to the fact that the fuel duty escalator was introduced by the previous Government in 1993. It was justified at the time as being necessary to complete Britain's strategy to curb carbon dioxide emissions. Several hon. Members—including the Chief Secretary—quoted the then Chancellor of the Exchequer, my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), who said that criticising the tax plans while also supporting the international agreement would be

"sailing dangerously near to hypocrisy."—[*Official Report*, 30 November 1993; Vol. 233, c. 939.]

It is worth noting that another integral part of the tax plans announced at that time was the imposition of value added tax on fuel. However, when it opposed that measure, the Labour party conveniently forgot my right hon. and learned Friend's warning about hypocrisy.

When the escalator was introduced, petrol prices in the United Kingdom were generally lower than in the rest of Europe. It was certainly never intended to use the escalator indefinitely; yet, as many of my hon. Friends have pointed out, the Government have not only continued to use the escalator, but increased it. By pushing it up to 6 per cent. and introducing three increases in two years, they have added 12p in tax to the cost of a litre of petrol. As a result, we have the highest petrol prices in Europe, if not the world. I challenge the Minister to name any country where petrol prices are higher than those in the United Kingdom.

[Mr. John Whittingdale]

Labour Members' arguments that the increases are necessary if we are to meet our targets for reducing greenhouse gas emissions do not hold water. Only about 20 per cent. of carbon dioxide emissions are accounted for by the transport sector, compared with 30 per cent. by the energy sector. The Government's climate change document states that, under the previous Government, there was a significant shift away from more carbon-intensive fuels, such as coal and oil, towards lower or zero-emission fuels such as gas and nuclear energy; yet, under this Government, a moratorium has been imposed on the building of any more gas-fired power stations, and nuclear power generation has been rejected. Already, a number of applications to build cleaner, gas-fuelled power stations have been turned down and, with some nuclear stations approaching the end of their lives, the consequence of the Government s policy will be to increase emissions, far outweighing any reductions achieved by raising the price of petrol.

The Government's policy is not the most effective way of cutting CO_2 emissions from the transport sector. As my hon. Friend the Member for South–West Bedfordshire (Sir D. Madel) said, the greatest contributor to reducing emissions from cars has been the improvement in technology. In the past five years, toxic emissions from vehicles have fallen by a third. However, that is not because people are driving less; traffic on the roads continues to grow. Improvements in technology have steadily cut the level of emissions, with the prospect of a further 25 per cent. fall in emissions from new cars in the next 10 years.

As several hon. Members have pointed out, particularly those who represent rural areas, such as my hon. Friends the Members for South Holland and The Deepings (Mr. Hayes) and for Bury St. Edmunds (Mr. Ruffley), there is no alternative to the car for many people in this country. As the National Farmers Union has said, people living and working in the countryside are doubly hit by tax rises. Not only is their own vehicle use affected, but they will have to pay the increased transport costs that will be imposed on consumer prices.

Research for the Automobile Association has demonstrated that increases in fuel tax impact disproportionately on households that rely on cars for their essential journeys, especially rural and suburban households with limited access to public transport services. Women, the disabled and those in receipt of state pensions and other benefits are particularly badly hit.

In 1995, in the debate on the fuel duty increases, the hon. Member for Bristol, South (Dawn Primarolo), now the Paymaster General—I am delighted to see her in her place—said:

"People living in rural areas will be badly affected. They will find it difficult to understand why they must pay for the Government's taxes while receiving little in return in public transport. Pitching . . . the tax rise as an environmental measure is cynical".—[*Official Report*, 23 January 1995; Vol. 253, c. 99.]

Does that remain her view?

Mr. Clifton-Brown: Will my hon. Friend also take into account the fact that people in rural constituencies such as mine are further affected because not only is an 85 per cent. duty imposed on their petrol and diesel, but the amount of the local government revenue support grant settlement that is spent on roads is decreasing each year? The standard of roads in the shire county of Gloucestershire, for example, is getting worse year by year.

Mr. Whittingdale: My hon. Friend is absolutely right. I say that from experience, because my county of Essex has had much the same experience under this Government.

Most motorists have no choice but to pay the tax increase. However, as the hon. Members for South Down (Mr. McGrady) and for East Antrim (Mr. Beggs) pointed out, in Northern Ireland it is comparatively simple to cross the border to fill up with fuel. In the Republic of Ireland, petrol costs about 50p a litre, and that has led not only to cross-border shopping, but to smuggling on a huge scale. That problem has developed only in the past two years, with all major fuel suppliers reporting a significant drop in sales—in some instances, up to 40 per cent.—since the 1997 Budget, and as many as half of Northern Ireland's filling stations are now believed to be selling smuggled fuel.

The lowest estimates put the loss of revenue at over £100 million a year, and there is little doubt that the IRA is heavily involved in that trade. However, the Government's response, in a letter from the Financial Secretary's office, was that, although £100 million is a great deal of money, it needs to be viewed in the context of a total yield from oils of about £20 billion. That problem will be made worse by these increases, and the Government's complacency on the matter is simply not good enough.

The increase in fuel duty of more than 7 per cent. is bad enough. However, the clause also increases the duty on fuel oil, not by 7 per cent., but by nearly 22 per cent. Although that will add only 0.5p in tax to the cost of a litre, for some businesses the impact of that increase will be enormous.

I recently received a letter from Dengie Crops Ltd. in my constituency, which is owned by a group of local farmers. They point out that one part of their business uses almost 4 million litres of medium fuel oil a year as a prime energy source to process crops. The increase in duty will increase their costs by almost £20,000 a year, and they say that

"there is a limit to the amount of additional costs that companies will bear".

I ask the Economic Secretary to say tonight how she can possibly justify an increase of 22 per cent., and how she expects business to absorb a cost increase on such a scale.

Much has been said about the impact on the haulage industry of the increase in the cost of diesel, but it is not just hauliers who are faced with a huge increase. As my hon. Friend the Member for Billericay (Mrs. Gorman) said, taxi drivers are also up in arms. In the £10 star letter in the latest issue of *Taxi Globe*, a taxi driver in Sidcup writes:

"Maybe one of our overpaid Ministers could tell us why our diesel is taxed so much higher than anywhere else in Europe. When I voted for this Labour Government I was certain that I was doing the right thing. Now I know I made a mistake. They are worse than the Tories ever were, with no care at all for the working classes"

Mr. Leslie: So that we may judge the hon. Gentleman's commitment on this matter, will he now take the

opportunity to give a commitment to oppose any fuel duty increase in the next financial year as well as this financial year?

Mr. Whittingdale: We have already made it clear that we oppose the continuation of a road fuel escalator, and that we shall vote against these increases tonight.

In November 1998, in an Adjournment debate, my hon. Friend the Member for North Shropshire (Mr. Paterson) drew attention to the huge damage that the level of diesel duty was doing to the haulage industry. He reported at that time that Ministers had refused to meet a delegation from the industry. A few weeks later, I attended a rally at Westminster of 2,000 truck drivers, who had come to London to try to persuade the Government of their case. Instead of listening to them, the Government raised the duty on diesel, not by 6 or 7 per cent., but by 12 per cent. What is more, the Chancellor did not even mention it in the Budget speech, and the full scale of the increase became clear only when we looked at the Red Book. It was a kick in the teeth to the haulage industry, whose anger is entirely justified.

A large number of Members who have spoken have given examples of how the increase will affect firms in their constituencies. The hon. Member for North Tayside (Mr. Swinney) told us that the Labour candidate for Galloway and Upper Nithsdale has called it a poll tax on wheels. The hon. Member for Workington (Mr. Campbell-Savours) made an excellent speech, based on considerable knowledge of the industry and its concerns. I really hope that, even if the Economic Secretary is not prepared to listen to us, she will listen to her hon. Friend.

By contrast, the hon. Member for Twickenham (Dr. Cable), speaking for the Liberal Democrats, appeared to support the escalator; but perhaps that is less surprising, given that his Chief Whip, the hon. Member for North Cornwall (Mr. Tyler), told us in the *Western Morning News* two weeks ago that

"There is a case for road freight to be taxed more heavily."

The Chief Secretary, in opening the debate, showed breathtaking complacency. He told us that there was overcapacity in the industry, that too many firms are inefficient and that, in any case, the Budget is helping the haulage industry. No wonder the hauliers are so angry.

I finish by quoting from a letter that I received from a firm in my constituency, D. Fisher (Farms) Ltd. in Southminster. It says:

"We have literally come to the end of the road. We cannot continue to operate lorries, as any income or earning potential has been killed off by the increase in fuel prices. Our lorries will be off the road at the end of the month. It is the end of an era after some 30 years in the haulage business".

That is what the Government's policy is achieving. It is crippling British hauliers and pushing up the costs of British business. It is helping our foreign competitors and doing nothing to help the environment. That is why we oppose the escalator and why we shall vote against the clause.

9.45 pm

The Economic Secretary to the Treasury (Ms Patricia Hewitt): This is my first Finance Bill Committee and I have to confess that I was rather puzzled that no amendments to the clause had been tabled by the right hon. Member for Horsham (Mr. Maude), but I realised that, given the shambles in which the Conservative party has found itself over the past week, Conservative Members have not had the time, and do not have the consistency, to be able to table any amendments at all.

Conservative Members do not know what is their policy on health and education, they do not know what is their policy on the environment and they have given us no answer at all to the question asked repeatedly by my hon. Friends: if they succeeded in defeating the clause this evening, how would they fill the black hole in the finances?

The right hon. Member for Horsham argued—as did his colleague, the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale)—that the fuel duty escalator, which the Conservatives introduced in 1993 and increased in 1995, was somehow right then, but is wrong now. As my hon. Friend the Member for Harrow, East (Mr. McNulty) pointed out in a thoroughly robust contribution, the right hon. Gentleman's argument, which was based on diesel prices when the fuel duty escalator was introduced, was quite simply wrong.

The right hon. Gentleman also argued that the fuel duty escalator was needed by the Conservative Government because our diesel prices were so much lower than those everywhere else in the European Union. Quite the opposite was the case. As the figures produced by the House of Commons Library have established, diesel prices in the United Kingdom in 1993 were the second highest in the EU. Only Italy's were higher.

The hon. Member for Maldon and East Chelmsford referred to petrol. Only Ireland and Denmark had petrol prices higher than ours in 1993, and they were higher by only 1p.

Mr. Whittingdale: On the price of petrol, is the Economic Secretary aware that, when he delivered his 1995 Budget speech, two years after the escalator was introduced, my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) said:

"I intend to stick to my commitment to raise road fuel duties. Despite those increases, petrol prices in this country should remain lower than in any other major European country."—[*Official Report*, 28 November 1995; Vol. 267, c. 1064.]

Ms Hewitt: The hon. Gentleman was a member of the previous Government. When they introduced the fuel duty escalator in 1993, petrol prices were higher in this country than they were in every other country except Ireland and Denmark, and diesel prices were higher than in every country except Italy. The right hon. and learned Member for Rushcliffe (Mr. Clarke) was simply wrong on that issue.

Mr. Clifton-Brown: I draw the Economic Secretary's attention to the Road Haulage Association document and, in particular, to table A-5 on page 12. It shows that, in 1993, the UK had almost the lowest petrol prices of all EU countries.

Ms Hewitt: I am terribly sorry, but the hon. Gentleman is wrong on that point. [*Interruption.*] Here are the figures from the House of Commons Library. The hon. Gentleman is wrong, just as he was wrong in the debate

[Ms Hewitt]

when he made a point about the reduction in CO_2 emissions that will be achieved through Government policy. My hon. Friends the Members for Wimbledon (Mr. Casale) and for Colne Valley (Kali Mountford) rightly argued that the case for the fuel duty escalator is the same now as it was when the Conservative Government introduced it in 1993 and increased it in 1995.

My hon. Friend the Member for Workington (Mr. Campbell-Savours) spoke with great feeling. He has been entirely consistent, both in his support for the fuel duty escalator and in his request that commercial vehicles should be exempt. His consistency does him great credit and contrasts strikingly with the complete inconsistency of the Opposition. He asked what it would cost to exempt commercial vehicles from the fuel duty escalator. The answer is some £300 million to £400 million a year.

The Road Haulage Association suggested that commercial vehicles should have a reduction of at least 21p a litre in diesel duty, but it also suggested—Conservative Members have not mentioned this—that that reduction should be paid for by a 3p per litre increase in duty for every other driver. That is quite unacceptable.

I have to say to my hon. Friend the Member for Workington that it would be wrong to exempt hauliers from the fuel duty escalator, but to include in its scope emergency vehicles, doctors, nurses, rural motorists and anybody else with a diesel vehicle. It would be wrong to expect all other drivers to bear their share of reducing carbon dioxide and other polluting emissions, but not the road haulage industry.

My hon. Friend the Member for Workington, the hon. Member for Twickenham (Dr. Cable) and several others raised the issue of the Brit disc—the Euro vignette. Last week, my right hon. Friend the Minister of Transport made it clear, as he had to the road haulage industry forum, that of course we shall examine that proposal carefully. However, I stress that, while there are many British vehicles driving on continental roads, there are very few European vehicles driving on British road. Indeed, less than [illegible] of lorry miles in this country are done by foreign vehicles, according to the latest figures available. That suggests two things: first, that the road haulage industry in this country is, as the Government have maintained, remarkably competitive; and, secondly, that the revenue from a Brit disc would be extremely small. It might even be too small to justify the administrative costs involved in collecting it. None the less, we shall look at that suggestion seriously, as we shall look at all the other suggestions made to us in the forum.

My hon. Friend the Member for Workington and other hon. Members also raised the issue of the need to equalise rates of duty within the single market. I shall come to that point in a moment in relation to Northern Ireland. We are certainly arguing, within the European Union, for higher minimum rates of fuel duty across the European Union. There is no doubt whatever that higher minimum rates would assist in removing distortions that have arisen within the single market. However, it is not up to the United Kingdom to dictate to other member states how they should achieve their Kyoto targets and thus contribute to solving the problem of global warming.

The hon. Members for South Down (Mr. McGrady) and for East Antrim (Mr. Beggs) both raised the serious problem of the smuggling of fuel across the border into Northern Ireland and the problem of quite legal cross-border shopping. As the hon. Member for East Antrim generously acknowledged, Customs and Excise has cracked down with considerable force on the problem of smuggling. Since the beginning of last year it has seized 63 vehicles and some half a million litres of fuel, and it has had admissions from those drivers that they have smuggled almost a further 25 million litres. Vigorous law enforcement action is being taken and we have strengthened the resources available to Customs and Excise to ensure that they can take that action.

Mr. Campbell-Savours: Will my hon. Friend explain the justification for the escalator once we have met the Kyoto targets?

Ms Hewitt: My hon. Friend will be aware that we have not only our internationally binding commitment to the Kyoto targets, but our own domestic commitment, from the last manifesto, to seek a further reduction in carbon dioxide emissions. I also refer my hon. Friend to the real and growing problem of poor local air quality. Important though greenhouse gases are, they are not the only pollution problem involved.

The hon. Member for South Down referred to the system used across the border between Germany and the Netherlands. The differential in duty rates is compensated for, but that is not a tax differential. It is a subsidy given by the Dutch Government to businesses operating filling stations near the border. I understand that the European Commission is looking closely at the Dutch subsidy scheme on state aid grounds, but I shall certainly pass on that point to my right hon. Friend the Secretary of State for Northern Ireland. As it is a subsidy and not a tax differential, it is a matter for her rather than for me.

Mr. Clifton-Brown: I am grateful to the Economic Secretary for giving way to me a second time. Can she tell me—if she cannot will she write to me—her Department's best estimate of how many UK jobs will be lost as a result of the Budget increase in the fuel escalator?

Ms Hewitt: The estimates that have been offered by Conservative Members, which I think were taken from some of the road haulage groups, are completely absurd. The associations concerned have not been willing to share with us the basis of their estimates. The Conservative Government were responsible for 5,000 job losses in this industry.

Mr. Brady: Will the hon. Lady give way?

Ms Hewitt: Let me finish this answer. As has been acknowledged—

Mr. Brady *rose—*

Ms Hewitt: Let me finish this answer. As has been acknowledged by the industry, there are real problems of overcapacity. As my right hon. Friend the Minister of Transport said last week, no Government can possibly give an assurance that there will never be job losses,

but I do not believe that there will be anything like the job losses that there were under the Conservative Government.

Mr. Brady *rose—*

Ms Hewitt: I shall not give way again, because I want to deal with the speech made by the hon. Member for Twickenham on behalf of the Liberal Democratic party. It is extremely interesting that his party, which claims to support environmental taxation, wills the ends of environmental taxation but is not willing to support the means. It has bottled out once again.

What was interesting about the hon. Gentleman's speech was that he rightly stressed the need for environmental taxation so that we internalise the true costs of road transport and car usage into the price of petrol and the price of car usage. He is right about that. Conservative Members, who used to understand some of the basic principles of market economics, used to make the case for environmental taxation, but they seem to have given up on that as they have given up on so much.

The hon. Member for Twickenham and many of my hon. Friends referred to the costs of pollution that are imposed by the road haulage industry and by motorists generally. *[Interruption.]*

The Second Deputy Chairman: Order. Conversations are breaking out throughout the Chamber. Hon. Members must listen to the Minister. *[Interruption.]* Order. Hon. Members must listen to the Minister who is responding to the debate.

Ms Hewitt: Thank you, Mr. Lord.

I want to refer briefly to the costs of pollution from the road haulage industry and motorists generally in relation to local air quality. Twenty four per cent.—almost a quarter—of the particulates that are partly causing the problem of pollution and 47 per cent. of the pollution from nitrogen oxide come from the road haulage industry. We have reliable estimates that some 8,000 people die prematurely every year as a result of particulates pollution alone. My hon. Friend the Member for Colne Valley rightly referred to the growing problem of asthma among children, to which I would add the growing problem not only of premature deaths but of ill health among elderly people suffering from chest infections.

Other Labour Members made extremely important points. For instance, my hon. Friend the Member for Halton (Mr. Twigg) pointed out, quite rightly, that no one could trust the Conservatives on this issue.

Neither we nor the voters will allow the Conservatives to forget their past. They may wish to tear up what they did in the last Government—and, in other respects, that does not surprise me. They may wish to tear up the green manifesto on which they fought the last election. We—in this clause, and in this Bill—are delivering on our commitments to balance the needs of motorists with the needs of the environment, and to deliver a cut in the pollution that is coming from road transport and motorists.

The Committee divided: Ayes 305, Noes 177.

Division No. 152] **[10 pm**

AYES

Abbott, Ms Diane
Adams, Mrs Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Armstrong, Rt Hon Ms Hilary
Ashton, Joe
Atkins, Charlotte
Austin, John
Barnes, Harry
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Berry, Roger
Best, Harold
Blackman, Liz
Blears, Ms Hazel
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brinton, Mrs Helen
Brown, Russell *(Dumfries)*
Browne, Desmond
Buck, Ms Karen
Burgon, Colin
Butler, Mrs Christine
Byers, Rt Hon Stephen
Cabom, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Charles *(Norwich S)*
Clarke, Eric *(Midlothian)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Connarty, Michael
Cook, Rt Hon Robin *(Livingston)*
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Rt Hon Dr Jack *(Copeland)*
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff
Field, Rt Hon Frank
Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Foster, Michael J *(Worcester)*
Foulkes, George
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grocott, Bruce
Grogan, John
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hopkins, Kelvin
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Ms Beverley *(Stretford)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian

Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Dr Lynne *(Selly Oak)*
Jowell, Rt Hon Ms Tessa
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, Rt Hon Mrs Helen
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
Love, Andrew
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
Macdonald, Calum
McDonnell, John
McFall, John
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Merron, Gillian
Michie, Bill *(Sheffld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Morris, Rt Hon John *(Aberavon)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Osborne, Ms Sandra
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Powell, Sir Raymond
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Rammell, Bill
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruane, Chris
Ruddock, Joan
Ryan, Ms Joan
Salter, Martin
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheldon, Rt Hon Robert
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Spellar, John
Steinberg, Gerry
Stevenson, George
Stott, Roger
Strang, Rt Hon Dr Gavin
Straw, Rt Hon Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Temple-Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Todd, Mark
Trickett, Jon
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Vaz, Keith
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wise, Audrey
Wright, Anthony D *(Gt Yarmouth)*
Wyatt, Derek

Tellers for the Ayes:
Mr. Clive Betts and
Mr. Keith Hill.

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baker, Norman
Ballard, Jackie
Beggs, Roy
Bell, Martin *(Tatton)*
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brake, Tom
Brazier, Julian
Breed, Colin
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burnett, John
Burns, Simon
Cable, Dr Vincent
Campbell, Rt Hon Menzies *(NE Fife)*
Canavan, Dennis
Cash, William
Chidgey, David
Chope, Christopher
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Colvin, Michael
Cormack, Sir Patrick
Cotter, Brian
Cran, James
Cunningham, Ms Roseanna *(Perth)*
Dafis, Cynog
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Donaldson, Jeffrey
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Ewing, Mrs Margaret
Faber, David
Fabricant, Michael
Fallon, Michael
Fearn, Ronnie
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
George, Andrew *(St Ives)*
Gibb, Nick
Gillan, Mrs Cheryl
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hague, Rt Hon William
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Harris, Dr Evan
Harvey, Nick
Hawkins, Nick
Hayes, John
Heald, Oliver
Heath, David *(Somerton & Frome)*
Heathcoat-Amory, Rt Hon David
Heseltine, Rt Hon Michael
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jones, Ieuan Wyn *(Ynys Môn)*
Keetch, Paul
Key, Robert
Kirkbride, Miss Julie
Kirkwood, Archy
Lait, Mrs Jacqui
Lansley, Andrew
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lidington, David
Livsey, Richard
Lloyd, Rt Hon Sir Peter *(Fareham)*
Llwyd, Elfyn
Loughton, Tim
Luff, Peter
Lyell, Rt Hon Sir Nicholas
McGrady, Eddie
MacGregor, Rt Hon John
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Malins, Humfrey
Mallon, Seamus
Maples, John
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Michie, Mrs Ray *(Argyll & Bute)*
Moore, Michael
Morgan, Alasdair *(Galloway)*
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Oaten, Mark
Öpik, Lembit
Ottaway, Richard

Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Rendel, David
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
Russell, Bob *(Colchester)*
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Shepherd, Richard
Simpson, Keith *(Mid–Norfolk)*
Smith, Sir Robert *(W Ab'd'ns)*
Smyth, Rev Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spring, Richard
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swinney, John
Syms, Robert
Taylor, Ian *(Esher & Walton)*
Taylor, John M *(Solihull)*
Taylor, Matthew *(Truro)*
Thompson, William
Tonge, Dr Jenny
Trend, Michael
Trimble, Rt Hon David
Tyler, Paul
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Webb, Steve
Welsh, Andrew
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wigley, Rt Hon Dafydd
Wilkinson, John
Willis, Phil
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Noes:
Mrs. Eleanor Laing and
Sir David Madel.

Question accordingly agreed to.

Clause 2 ordered to stand part of the Bill.

To report progress and ask leave to sit again.—[*Mr. Robert Ainsworth.*]

Committee report progress; to sit again tomorrow.

FINANCIAL SERVICES AND MARKETS

Ordered,

That it be an Instruction to the Joint Committee on Financial Services and Markets that it report by 27th May 1999 on Parts V (employment in regulated activities), VI (civil fines for market abuse) and XII (disciplinary measures) of the draft bill in relation to the European Convention on Human Rights.—[*Mr. Robert Ainsworth.*]

PETITION

Multiple Births

10.18 pm

Mrs. Caroline Spelman (Meriden): The petition has been drawn up with the assistance of the Twins and Multiple Births Association, known as TAMBA, to draw attention to the disadvantage that such parents suffer. From April this year, the eldest child will receive an increase of £2.95 in child benefit, but each subsequent child will receive only 30p. This ignores the fact that the second twin or child of a multiple birth will cost its parents virtually the same to raise. The benefit of being able to hand down articles from an older child is often lost, and I am sure that a number of hon. Members will closely identify with that problem.

The petition states:

Wherefore your Petitioners pray that your honourable House urge the Secretary of State for Social Security to consider extending the benefit planned for eldest children to all children resulting from a multiple birth.

To lie upon the Table.

Rail Services (Wansbeck)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Robert Ainsworth.]*

10.20 pm

Mr. Denis Murphy (Wansbeck): I thank the House for allowing me this debate. My constituency is served by a limited passenger rail service. The east coast main line runs from the edge of the constituency. It provides limited access, and is, therefore, little used. The purpose of my debate is to make a case for the reopening of passenger services on the Ashington, Blyth and Tyne railway to give access to a population in excess of 200,000 people.

There are strong social, powerful economic and pressing environmental arguments in favour of such a development. The railway between Ashington, Blyth and Tyneside has a long history, dating back to the earliest days of railways in the north-east. It was, not surprisingly, built with coal in mind. The developing collieries of south-east Northumberland needed to transport large volumes of coal to the staithes on the Tyne at Percy Main. Passenger services were introduced between Blyth and Newcastle in 1847, extended to North Seaton in 1859 and to Newbiggin-by-the-Sea in 1872.

For about a century, passenger and freight trains ran side by side along a complex network of lines connecting Morpeth, Ashington, Bedlington, Tynemouth and Newcastle. By the 1950s, the growth in the number of cars and increasing competition from bus services resulted in the decline of passenger numbers. The service to Bedlington and Morpeth succumbed in 1950, and the remaining services were vulnerable to the attentions of the 1963 Beeching report on the future of railways.

As expected, passenger trains were recommended for withdrawal, and services on the Blyth and Tyne line ended in November 1964. I remember that date, because I travelled on the very last passenger train to run on that line.

Although passenger trains had gone, the Blyth and Tyne line continued to operate thanks to continued heavy freight flows to and from Blyth power station, Lynemouth and Ellington collieries, and North Blyth. Even main line trains could occasionally be seen, having been diverted from the east coast main line between Morpeth and Newcastle by engineering works or, occasionally, operational mishaps.

The southern end of the line saw significant changes in the late 1970s, with the conversion of the British Rail north Tyne loop as part of the Tyne and Wear metro network. Fortunately, the requirements of freight services meant that a link with the main line was retained at Benton. Ever since passenger trains were withdrawn, a body of opinion in south-east Northumberland has favoured their restoration, not only to make journeys easier in the immediate area, but to reconnect to the national rail network to counteract a perception of remoteness.

In its submission to the coalfields task force, Northumberland county council recognised that remoteness. An increasing emphasis is being placed on sustainability, encouraging development adjacent to transport corridors and the reuse of previously developed land and buildings. The problems in the coalfields may not always be as apparent as those in inner cities, but they are, in many respects, comparable in scale and intensity. They are exacerbated by peripherality, both in the region and nationally. A fragmented settlement pattern poses a whole array of additional problems in delivering effective regeneration programmes.

Rural and urban problems are interwoven throughout the area, giving it a distinctive character. The area has been described as being like an inner city that has been pulled apart, and that description is accurate.

During the 1970s and 1980s, prevailing transport policies tended to favour investment in the road network over initiatives to strengthen the railway system, and little progress could be made.

As the 1990s progressed, there was a growing realisation that unrestricted growth in the use of road vehicles, particularly private cars, would lead to problems of congestion and pollution that could be addressed partly by investment in public transport and other sustainable forms of transport. Supporters of the Blyth and Tyne line sensed that an opportunity to achieve our aims might be in the offing. In 1992, Northumberland county council, Wansbeck district council and Blyth Valley borough council pressed for the passenger train proposals to be included in the then Northern Region Councils Association proposals for rail travel. Then, as now, the case was made that train services could play an important part in supporting and strengthening the local economy, and improving the environment by providing an attractive alternative to the use of the private car.

The economy of Wansbeck is fragile. The district council recently commissioned a survey by Sheffield Hallam university into unemployment and social exclusion. The study contended that the deteriorating situation in Wansbeck, following the industrial closures of the 1980s and 1990s—and from an already low baseline—had been largely overlooked by various Departments in their assessments of local needs and the prioritisation of funding bids under the single regeneration budget regime.

There were several reasons: the relatively peripheral and northern location of the district, distant from the major conurbations of Tyneside, Wearside and Teesside; indeterminate spatial status as a coalfield area with some features in common with inner-city, rural and urban areas; deprivation in small towns, characterised by a proud but somewhat parochial and isolationist culture; an erroneous perception of Northumberland as a relatively affluent sub-region; and lack of attention to extreme disparities of wealth within and between districts.

The district is in the top 6 per cent. of local authorities in Britain for concentrated poverty, and the top 5 per cent. for concentrated unemployment, according to Warwick university. On local economic performance and future prospects, it is even further disadvantaged and lies in the bottom 2.5 per cent. of British local authorities according to the Henley centre for forecasting. The combination of depressed local economic conditions and local concentrations of multiple deprivation justify the classification of Wansbeck as one of the areas of greatest need, as referred to in the new Department of the Environment, Transport and the Regions policy statements on SRB funding, alongside higher profile deprived areas in metropolitan local authority districts across the United Kingdom. That is a grim and bleak

assessment of the underlying dynamism of the local economy, and yet another reason why we need passenger rail services to strengthen and develop it.

In 1995, the campaign gathered momentum with the commissioning of a feasibility study into the potential for improved public transport services in south-east Northumberland. It included in its brief an appraisal of the prospects for passenger train services between Newbiggin, Ashington and Newcastle. At the same time, Regional Railways North East, then part of British Rail, was asked to comment on operational matters so that the practical aspects of running a train service could be addressed.

The consultant's report was encouraging. Several options were examined in great detail. The first option involved an hourly service between Newcastle and Ashington, with new stations at Shiremoor West—for interchange with the Tyne and Wear Metro system—Seghill, Seaton Delaval, Newsham, Bedlington Green Lane and Ashington.

Option 2 was an hourly service between Newcastle and Ashington calling at the seven new stations I have listed and New Hartley, West Blyth, Bebside and North Seaton. Newcastle to Newbiggin, my preferred route, was an hourly service based on the extensions outlined previously, and serving additional new stations at Woodhorn and Newbiggin. Other options were examined, but were considered at the time not to be particularly viable. The report concluded that the reintroduction of passenger trains between Newcastle, Ashington and Newbiggin was justifiable and warranted more detailed investigation.

As part of its franchise commitment, Northern Spirit, the local train operator, was required to undertake a feasibility study into the provision of new local rail services. That was another welcome development. November 1997 saw the first scheduled passenger train between Newcastle and Ashington for 33 years. A special service for the county council's highway and transport committee, with the co-operation of Northern Spirit, it represented an awareness-raising exercise that was well covered by the local media. The special train raised the profile of the project and demonstrated the potential of the route as part of an integrated public transport strategy for the area.

Nexus, operator of the Tyne and Wear network, also gave the project its active support and examined the potential for linkage between the Blyth and Tyne line and the metro system. It was suggested that an interchange facility at Backworth, where the Blyth and Tyne and metro routes run side by side, would open up the range of journey opportunities in Northumberland and Tyneside, while not jeopardising the concept of a fast and direct train service to and from Newcastle central station and the rest of the rail network.

Railtrack also provided technical input which showed the likely costs associated with passenger services and the frequency with which trains could run, bearing in mind existing freight traffic that was using the route and track and signalling constraints.

In 1998, a working group was set up to include council representatives and transport operators to make further progress. Membership of the group included ARRIVA Northumbria. It was recognised that liaison with the major bus operator in the area of the Blyth and Tyne line was important to minimise the prospect of direct competition which would ultimately be detrimental to both bus and train services.

Publication of the Government's White Paper "A New Deal for Transport: Better for Everyone" in July 1998 represented a further boost to the prospects of the return of passenger trains. It confirmed the Government's shift away from road building and towards public transport-based alternatives, and promised financial help towards such projects as the Blyth and Tyne by means of an infrastructure investment fund and the rail passenger partnership scheme.

Those new funds are a practical manifestation of the Government's wish to encourage a shift away from car use, while supporting investment proposals that help to provide an integrated transport network. At the same time, planning policies have been amended to support developments and locations which increase the use of public transport and attempt to reduce distances travelled by car.

Public transport corridors will increasingly become a focus of housing and commercial development. Given the successful reintroduction of passenger rail services, the Blyth and Tyne corridor could become a growth area for jobs, services and homes, to the benefit of all those living in south-east Northumberland. Such a proposal will help move towards integrated transport, reduce car use, congestion and pollution and, more importantly, perhaps reduce social exclusion by increasing access to jobs and services.

In conclusion, I ask my hon. Friend the Minister to support the proposal. The capital cost of new stations and improved signalling will be about the same as the cost of one mile of new motorway. The initial revenue loss could be turned into a profit based on 4,500 single journeys a day—an opportunity for us to provide a truly integrated transport system.

As I said earlier, I travelled on the last passenger train 35 years ago. With my hon. Friend's help, I look forward to the Government, if necessary, bridging the gap. I hope that I am one of the first passengers to travel on the first train from Wansbeck to Westminster.

10.34 pm

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Ms Glenda Jackson): I congratulate my hon. Friend the Member for Wansbeck (Mr. Murphy) not only on obtaining this debate but on giving such a passionate and detailed understanding of the importance of our railways to so many areas of our national life and for detailing again—it made chilling hearing—the almost wanton disregard of the previous Administration for the needs of his part of the United Kingdom.

As my hon. Friend pointed out, the transport White Paper sets out the Government's aim to provide a transport system that is safe, efficient, clean and fair, and makes it easier for people to make more sustainable travel choices, leading to less congested and polluted roads. Many of our towns and cities are now facing significant levels of congestion and pollution, placing a burden on business and resulting in a poor quality of life for people who live and work there. Our aim is to reduce people's dependency on the car by delivering real alternatives—such as better public transport and improved facilities for

[Ms Glenda Jackson]

cycling and walking. Our railway network will have a central role in an integrated transport system, and if we are to persuade people of the benefits of switching from car to rail, we must provide more and better train services.

My hon. Friend may be aware that, to encourage further investment in the network, we have provided the franchising director with two new sources of investment funding via the rail passenger partnership and the infrastructure investment funds. They are aimed at supporting new investment proposals to produce wider benefits for both integrated transport and a modal shift to rail that could not be taken forward without public sector financial support. Of course, Railtrack remains responsible for funding investment in rail infrastructure where there is a commercial case and in accordance with its licence obligations.

The rail passenger partnership scheme is designed specifically to encourage and support innovative proposals at the regional and local level that develop rail use, and promote modal shift and integration with other forms of transport. Funding for the RPP scheme will be awarded by the franchising director—as part of the shadow Strategic Rail Authority—and will be channelled through franchised train operators.

We encourage local authorities and others to present to the franchising director proposals consistent with the strategies set out in our transport White Paper. Sponsors should prepare a business case in consultation with the relevant train operator, Railtrack and other local authorities. The business case will allow the franchising director to estimate the likely level of public sector funding required to support the scheme and whether the proposed expenditure represents value for money. The franchising director's interim planning criteria will provide guidance to any party submitting a proposal and the Government will look to the franchising director to undertake appraisal of any proposal that is put to him objectively, and to give fair consideration to all the proposals for new services that he receives. Under those criteria, he would look for genuine value for money and a real passenger benefit from schemes that he is asked to support.

My hon. Friend referred to the south-east Northumberland transport study conducted in 1996, but the franchising director has not—as far as I am aware—received a business case or any proposals from local authorities for the reopening of rail passenger services in the Wansbeck area. I understand that such a proposal has been the subject of discussions involving the county and district councils, the passenger transport executive, Nexus, the relevant transport providers, Northern Spirit and Railtrack. Opraf—the Office of Passenger Rail Franchising—stands ready to advise applicants, and will be issuing revised criteria for the allocation of financial support. Those criteria will take account of the development of multi-modal appraisal techniques that establish a level playing field for appraisal of different transport modes.

My hon. Friend may also know that Opraf is taking forward a wide-ranging consultation on the future development of rail services, addressing the type and level of services that the rail network should provide, consistent with the Government's objectives for integrated transport policy, value for money and affordability. The views of both passenger and freight users will be heard and the consultation will focus on establishing priorities for rail at national, regional and local level. Views will be sought on how local government can develop land use strategies that fully exploit the economic potential of rail to meet future transport needs. A key question is how the rail industry and stakeholders should be working together to achieve improvements in the rail network. The parties in my hon. Friend's constituency may wish to respond to this consultation, so that their voices are heard.

The results of the Opraf consultation will feed into the shadow Strategic Rail Authority's plans for the rail network. They will also assist in the evaluation of Railtrack's 1999 network management statement and help in forming a view on the outputs that the shadow SRA will want Railtrack to provide. The SRA will form an early view on priorities for developing the network in consultation with local authorities, regional planning conferences and other organisations. We have made it clear that local authorities have a fundamental role in initiating local rail schemes.

Our White Paper made available funds to assist in providing a better local public transport system, including rail and bus passenger transport. The centrepiece of that approach will be local transport plans, which will be the key to the delivery of integrated transport locally. This summer, local authorities will submit provisional plans setting out their proposals for delivering integrated transport over a five-year period. Those plans will cover all forms of transport, including rail.

Many of the problems that we face in transport policy are essentially local, and local transport plans will provide local solutions to those problems within a coherent national framework. To do that, the plans must be founded on active partnership with local users, providers and businesses, for only in that way will we achieve lasting consensus at local level.

There needs to be partnership and accountability in developing the railways as part of an integrated transport system. The Government are determined to play their part in creating an effective public transport network that people will choose to use, but local authorities and the private sector also have a vital role. We will all share the benefits of a sustainable transport system and we must share the responsibility for achieving it.

We anticipate partnership between the public and private sectors and closer liaison between central and local government on transport planning. The strategy and commitments in our White Paper "A New Deal for Transport: Better for Everyone" will serve to benefit rail passengers and facilitate worthwhile investment in new schemes, through partnership between Government, regional and local authorities and private sector operators and sponsors.

We believe that together those plans will help us to develop a better railway service attuned to the expectations of rail passengers, which is in line with our policies on integrated transport, and which will equip us to provide a rail system with an infrastructure appropriate to the 21st century. The measures that I have described demonstrate this Government's commitment to public transport enhancements at national, regional and local level to the benefit of all sectors of the community.

Question put and agreed to.

Adjourned accordingly at seventeen minutes to Eleven o'clock.

House of Commons

Wednesday 28 April 1999

The House met at half-past Nine o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Broadcasting (Regional Coverage)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Mike Hall.]*

9.34 am

Dr. George Turner (North-West Norfolk): I am delighted to have the opportunity to introduce this Adjournment debate on an issue of such importance to my constituents. My good fortune in securing the debate enables the House to discuss one of the major issues addressed by the Digital Television Broadcasting Bill, which I introduced last week under the ten-minute rule.

I shall briefly remind the House of the specific nature of the problem, which concerns terrestrial television. The services of each regional television broadcaster are transmitted from specific locations. However, in some areas, the lie of the land and the physical characteristics of UHF electromagnetic waves prevent some communities from receiving signals from the transmitters assigned to their appropriate regional broadcaster. Instead, the signal from a transmitter targeted at a different region may be the only one that they are able to receive. Those viewers can watch only regional programming services intended for others. That is the problem.

For many years, solutions that used additional transmitters or relays have been constrained by the number of channels possible when using analogue broadcasting, and by the severe interference problems when adjacent transmitters are not well separated in frequency. That also explains why analogue broadcasting has had genuine difficulty in providing more than four universal channels. Not surprisingly, many of my constituents cannot receive Channel 5.

Many thousands in west Norfolk are affected: the borough council has estimated the figure to be as many as 20,000 households, which represents an audience of up to 51,000 people. My constituents are angry about this situation. More than 5,000 of them were sufficiently motivated to write to the *King's Lynn Citizen* to say so. All of them want something to be done so that they are able to watch their own regional television programmes.

In preparing for this debate, I have taken the time to check whether my constituents are alone in the importance that they attach to receiving the correct regional television programmes. The facts are interesting. Since 1970, the Independent Television Authority, the Independent Broadcasting Authority and, most recently, the Independent Television Commission have monitored public attitudes towards a number of broadcasting issues, in particular viewers' preferences for a range of programme types.

Over the past decade, news items have come right at the top of the list of programmes that viewers say they are most interested in seeing on television. Of crucial relevance to this debate is the fact that, since 1995, regional news has overtaken national news as the most popular of all programme types. Indeed, in the most recently available survey, 90 per cent. of the British public said that they wanted to see regional news: that is 30 per cent. more than those wanting to watch soap operas. It is not surprising that my constituents and those of other right hon. and hon. Members are up in arms, because the programmes that they most want to see are the very programmes denied to them.

We should also bear in mind the growing importance of community and regional identities in our everyday life. My constituents are served by a health authority, social services, education services, library services, police and fire services, all of which are administered on a county basis within Norfolk. The Government have, through the establishment of regional development agencies, made it clear that local identity within regions is increasingly important. Ministers are currently encouraging communities to become involved in the development of community safety strategies and local transport strategies, and they see a strong role for the community in developing policies on access to the countryside. Is there not a serious democratic deficit if people do not have access to news and information about their own communities via the most popular and effective medium?

Heacham, in my Norfolk constituency, provides a clear example. Heacham is a particularly large village which, in television terms, is cut off from its own region. Residents can receive only Yorkshire Television. It is common that local events, even those filmed in the village, cannot be seen on television by residents. Although Yorkshire Television, to its credit, includes some items from Norfolk, residents are understandably dissatisfied that the bulk of its regional news programmes focuses on issues in Yorkshire.

Last week, I gave the House a specific example of a reconstruction of a serious crime that took place in Heacham. It was broadcast on Anglia Television, but could not be seen by Heacham residents, who were the most likely witnesses. People in Heacham do not shop in Bradford, they are rarely in Leeds, and they are not particularly interested in the local goings-on in Grimsby. Like the majority of viewers around the country, they want to know what is going on under their noses in their own communities.

Mr. Brian Cotter (Weston-super-Mare): I am sure that the hon. Gentleman would be interested to know that people in my constituency, especially in an area called Bleadon Hill, cannot get the correct regional programmes, and can only get programmes in the Welsh language, which is difficult for them.

Dr. Turner: The hon. Gentleman's constituents must be even more cross than mine if they cannot even understand what they are hearing. As that intervention has shown, west Norfolk is far from alone in suffering from these problems. The Department for Culture, Media and Sport informs me that other affected communities are to be found in many parts of the country: in the Scottish borders, Fort William, all the border areas between Wales and England, parts of Yorkshire, such as Harrogate,

[Dr. Turner]

Richmond and Leeds, parts of Lincolnshire, Lancashire, the Wirral, Barnoldswick, Nottinghamshire, Wiltshire, the Swindon area, north-west Bristol, Devon, North Somerset and even some locations in London. The Library estimates that some 40 or 50 Members have constituents with cause for complaint.

Shortly after becoming a Member myself, I secured a short Adjournment debate dealing with the problems in North-West Norfolk. As a former engineer, I could sympathise with the real difficulties explained to me by the technical experts. There are myriad interference problems—as well as the need for our part of the country to be good neighbours with broadcasters in Europe. I am pleased to say that, following that debate, work commissioned by the Independent Television Commission and the BBC has identified scope for the addition of one more analogue relay in Heacham. I hope that that soon becomes a reality. I was glad to note that Heacham parish council had offered land for it. Nevertheless, although the relay will help everyone in Heacham, it appears that others elsewhere can be offered little help if solutions are limited to analogue broadcasting.

British television is now in the most significant period of change in its history following the arrival of digital broadcasting techniques. The new technology allows full use of modern computing techniques; it is also far more efficient than the analogue system with which we have grown up. Many more channels can be included in the same frequency space, and good reception can be achieved with transmitters working with anything from 10 per cent. down to 1 per cent. of the power levels used by analogue. The modulation techniques used are far less susceptible to interference problems between transmitters.

Digital television offers the possibility not only of introducing a range of new public and commercial services, but of eliminating anomalies in regional television coverage. This is a golden opportunity, and we must seize it.

Mr. Ted Rowlands (Merthyr Tydfil and Rhymney): Twenty-five per cent. of all relay stations in the United Kingdom are in Wales. Unless the ITC has a programme for the diversion of those stations, digital terrestrial television will not reach millions of viewers, not only in Wales, but in the rest of the United Kingdom.

Dr. Turner: My hon. Friend will be pleased to learn that our objective can be achieved through the use of the larger number of channels available to digital terrestrial television to make simulcasting possible.

Mr. John Healey (Wentworth): My hon. Friend makes a persuasive case for the potential of digital television to solve some of the problems of regional broadcasting. Does he agree that digital television is the medium through which Government will be able to deliver a range of public services? Should not Government be considering questions relating to regulation and incentives for the securing of that public service access, while the ground rules for the new medium and its technologies are being established?

Dr. Turner: That is an excellent point, to which I shall refer later.

Simulcasting involves a transmitter delivering more than one regional variation. If the transmitter broadcasting Yorkshire Television to my constituents also broadcast Anglia Television, viewers could choose which to watch. Alternatively, solutions in some areas might involve a different deployment of transmitters and power levels. Engineers in the industry have confirmed that those possible solutions are entirely feasible. The options will be made immensely easier as and when analogue switch-off frees the spectrum.

Last month, the ITC reported the results of research showing that, even ahead of analogue switch-off, additional relay sites in the midlands and East Anglia alone would allow up to 1.3 million more people to receive digital services. It also reported that, through the use of a network of relays all operating at the same frequency, up to 400,000 people could receive digital broadcasts in the south Wales valleys. The ability to use single-frequency relay networks is a major advantage of digital broadcasting, and will offer even greater efficiency in the use of available frequencies.

In the past, genuine technical problems were the cause of our frustration. It is clear that, in the digital era, the fundamental issues are political and commercial rather than technical. If there is the will, there will be a way.

Mr. Michael Fabricant (Lichfield): The hon. Gentleman is right to highlight the problems, but may I caution him? He should not believe that there is an unlimited spectrum, especially in relation to digital terrestrial broadcasting.

Dr. Turner: The fact is that, through the use of modern compression techniques, we already have access to some five digital channels for every analogue channel. At present—without the release of the frequencies currently allocated to analogue television—we are looking at up to 30 channels. It will be for the people to decide, through Parliament, what use they want to make of those frequencies when they are freed up. I do not envisage all of them being used for our purpose, but I trust that some will be, for our problems are serious.

Parliament must be determined to insist on the highest possible levels of access, and on the right of people to receive their own regional broadcasts. We must also look after the interests of important minority groups. As a result of press coverage of this debate, the Royal National Institute for Deaf People approached me. It is campaigning for the Government to look again at the targets relating to the availability of subtitles for those with impaired hearing. I support its campaign; I also agree with my hon. Friend the Member for Wentworth (Mr. Healey) that we shall need to consider other public service issues. We need to clarify public policy and, if necessary, legislate. Under the current arrangements, we face the horrifying prospect that, even with up to 30 digital channels fully rolled out, many people in rural areas such as mine will still not be able to watch the very programmes that they most want to see.

During my campaign, I have spoken to a number of key players in the industry. Many would welcome early clarification of the way forward for digital television: clarification of the public interest constraints to be imposed and, in particular, clarification of the conditions for analogue switch-off—or, as some in the industry

prefer to call it, the switch from analogue to digital. Substantial investment is involved, and I think that the Government should face up to the issues as soon as possible to maximise the benefit that we can all obtain from the new technology. The industry, too, while defending its legitimate commercial interests, must become constructively involved.

The ITC tells me that it now aims to identify the criteria for the next phase of digital television expansion. It has also awarded a contract for a preliminary study of a digital-only terrestrial television frequency plan. In recent correspondence, it tells me:

"We are taking very seriously the needs of different communities to be able to receive the appropriate regional service".

More ominously, however, it adds:

"But we also have to understand and take into account the wide range of competing claims on limited spectrum."

What, then, are the priorities to be? How should they balance the need of our constituents to gain access to the programmes that they want to watch with the interest of commercial broadcasters to sell their programmes to as many of us as possible? I want Parliament to be fully involved in the early stages of the debate, helping to shape the ground rules rather than leaving Back Benchers to moan and whinge on behalf of their constituents when proposals have been finalised. My predecessor was fobbed off by statements that digital television did not provide a solution—not, I suggest, because of technical difficulties, but because the carve-up of the frequency spectrum had taken place without due regard for the needs of his constituents. I believe that my Digital Television Broadcasting Bill offers one way forward. In a recent survey in my constituency newsletter, 80 per cent. of respondents supported it, although it is clear that they are interested in the ends rather than the means.

The Minister has already shown considerable sympathy for the problems of my constituents, and has been generous with her time in discussing them with me; but can she promise that proper priority will be given to finding solutions rather than excuses, and will she now publicly confirm that the Government recognise the importance of addressing the issues early rather than later? Does she acknowledge that we have already waited too long?

9.50 am

Mr. Peter Atkinson (Hexham): I congratulate the hon. Member for North-West Norfolk (Dr. Turner) on his debate, which is on an important and interesting subject. I was glad to hear him say that he had an engineering background, so that he could probably understand some of the complicated science surrounding the issue.

I speak in the debate because I have some constituents who cannot receive any television. As we move into the next millennium, some people do not have a television set. Although some of them have a video machine, they have to pay a BBC licence fee for it. Therefore, the first thing that I should like to achieve is a proper, complete build-out of relay stations, so that those who cannot receive even analogue stations may receive them.

I should like, secondly, to deal with the very real problem of digital television services. A large chunk of my constituency—like that of the hon. Member for North-West Norfolk—will not be able to receive any digital broadcasts until the analogue switch-off date.

Mr. Fabricant: Is my hon. Friend aware that the Culture, Media and Sport Committee pressed the Secretary of State for a date for analogue switch-off, but that he was unwilling to give one? It was thought that, by setting a date, there would be more rapid expansion of digital technology, to achieve the aims that my hon. Friend has set himself.

Mr. Atkinson: My hon. Friend has a point. However, an analogue switch-off will not occur for 10 or, probably, 15 years. Therefore, many of my constituents will not be able to receive digital television until then; and that would be quite wrong.

I was very pleased to note that the transmitting authorities have now agreed to increase the digital relay build-out to 81 transmitters. Nevertheless, considering the many hundreds of transmitters in the United Kingdom, that is very slow progress. If we are to reach 95 per cent. digital television coverage, a further 120 transmitters will require conversion or re-engineering. Therefore, it will cost vastly more to cover that 5 per cent. of the population than it did to cover the initial 90 per cent. Moreover, 5 per cent. of people—mostly in Scotland; some in my constituency and in other areas of the north Pennines; many in Wales and in Northern Ireland; bizarrely, some in Norfolk and Suffolk; and even some in Hove, in Sussex—will not be able to receive digital broadcasts until the Government do something about it.

The solution lies in making all services available on satellite. Clearly, it would be totally uneconomic to cover 100 per cent. of the country with relay transmitters to reach that final 5 per cent. of those who do not receive the transmissions. Satellite television is the only way of reaching them.

Mr. Phil Willis (Harrogate and Knaresborough): Will the hon. Gentleman expand on his point on satellite, and does he agree that satellite broadcasters currently have absolutely no intention of broadcasting any regional programmes? Have they not, because of cost, totally ruled out broadcasting ITV regional programmes? Will he comment on that?

Mr. Atkinson: The hon. Gentleman has anticipated entirely what I shall say, but I entirely agree with him on the point. We shall get to a rump of people—5 per cent. of the population, but they number several million people—who will not be able to receive terrestrial digital television, which they will be able to receive only by satellite.

A well-known misunderstanding of the situation is that one must subscribe to Sky Digital to receive satellite television. One does not have to do that. I was rather grateful to the BBC for issuing recently a handy little leaflet that makes it absolutely clear that one can receive digital satellite broadcasts without subscribing to Sky. One may receive from satellite, free of charge, BBC 1, BBC 2, BBC Choice, BBC News 24, Channel 4, S4C, Channel 5, and even the Parliamentary Channel.

[Mr. Atkinson]

As the hon. Member for Harrogate and Knaresborough (Mr. Willis) said, one cannot receive ITV and ITV 2, because the ITV companies refuse to make their programmes available on the digital satellite platform. However, the BBC and others have set them an example, and I believe that, ultimately, they should follow it.

The difficulty is the competitive nature of commercial television, and the fact that ONdigital—the new digital terrestrial channel—is owned jointly by Carlton and Granada, which together own a vast chunk of the ITV network. They think that giving their programmes to satellite will give Sky a commercial advantage over them. I believe that the Government should intervene in that competitive battle, and I know that the Director General of Fair Trading is examining the matter. However, if that finding is not satisfactory, the ITV companies, in new regulations, should be made to make their programmes available to everyone, as Sky has to make its programmes available on terrestrial channels.

Mr. Rowlands: I understand, appreciate and support the burden of the hon. Gentleman's case. However, I think that most people still hope that relay stations will be converted to deliver digital terrestrial services to our constituents. I hope that he will support that, too.

Mr. Atkinson: I support it and, indeed, should like more relay stations to be built. However, economic reality dictates that that will not happen. It would cost enormous sums to get the next 120 transmitters operating, and entails the need to re-engineer hundreds more small relay stations serving a few people—which, because of spectrum problems, may not even be physically possible. I do not understand the nature of those problems, but have been told that they exist. I agree that there should be more conversions, but, for 5 per cent., they will not happen.

The problem has become more acute since the launch of ITV 2, and since ITV has done a deal for exclusive pay-per-view coverage of the Champions league football matches. For the first time ever, in some cases, those games will be shown on ITV 2. Therefore, even if viewers are prepared to pay to watch the matches, they will not be able to do so unless they are able to receive ITV 2 terrestrial transmissions. I think that that is wrong, and that, in denying people the opportunity of watching what they want, we are crossing a rubicon.

I await with interest the Minister's comments on the matter. It is very strange when one's children still do not know about "Neighbours" or "Home and Away": they live almost in a different—some might say better—world from the rest of us. Nevertheless, as we approach the 21st century, those of my constituents in Hexham who still cannot see any television should have the opportunity of seeing some of it. The majority of my constituents should have the opportunity of seeing digital television before the analogue switch-off.

9.57 am

Mr. Andrew Miller (Ellesmere Port and Neston): I congratulate my hon. Friend the Member for North-West Norfolk (Dr. Turner) on initiating the debate, and on pursuing the interests of his constituents with such vigour. My hon. Friend the Member for Wirral, South (Mr. Chapman), too, has been working extremely hard in addressing the issue in the Wirral area.

The Wirral peninsula has a steep escarpment dipping down to the Dee valley. Consequently, many households are able to receive only television signals from Wales and from Wolverhampton. The accents in both those areas are somewhat foreign to the good folk of the Wirral peninsula. I therefore found myself agreeing with the intervention made by the hon. Member for Harrogate and Knaresborough (Mr. Willis). Although I perfectly respect and welcome the right to Welsh language broadcasting, it is a problem when it is being broadcast—under broadcasters' supposed public service obligations—to those who speak only English.

Mr. Rowlands: I appreciate my hon. Friend's point. However, as an ex-head boy of Wirral grammar school, I think that the two cultures should be able to get together.

Mr. Miller: I very much take that point. I certainly do not criticise spreading the Welsh culture—I welcome it; and there is a great deal of cross-fertilisation—but there is a huge language barrier. Broadcasting in another language is not an adequate response to broadcasters' public service obligations.

Moreover, it is inadequate to say that my constituents' regional needs are being met because they are able to receive regional television from Wolverhampton. There are plenty of examples—including the very good one of the village in the constituency of my hon. Friend the Member for North-West Norfolk—demonstrating that regional broadcasting is an important public service that cannot be provided either in another language or from a great distance.

The digital revolution gives us the opportunity to address those issues. However, if it is to do so, great flexibility, which broadcasters have not demonstrated in the analogue phase, will be required. They have always argued that there are problems with spectrum and difficulties with costs, but, technically, it is not an insoluble problem.

I invite my hon. Friend the Minister to get together with her ministerial colleagues in other Departments to try to find a solution. It is absurd that spectrum allocation is not the responsibility of one authority, and that it reflects historical rather than future requirements. For example, the Ministry of Defence could give up some of the allocation that was relevant to its needs 20 or 30 years ago, but is no longer necessary.

There should be a structured debate involving the Ministry of Defence, the Home Office, the Department for Culture, Media and Sport and the Department of Trade and Industry in the reallocation of spectrum. It would then be possible to say to companies that broadcast by satellite, digital terrestrial, cable or whatever, that if they wanted to bid for a slice of the action in a particular geographical area, they would have to provide a technical solution—possibly by buying in link services such as simulcasting—to make sure that everyone in the area could receive the service.

It is not asking a great deal and it will force broadcasters to work more closely with their counterparts, helping to overcome some of the issues concerning spectrum allocation. There are practical ways forward, but they require careful collaboration between the public and private sectors. If that happens, the digital revolution will present the opportunity that many of our constituents desire.

10.2 am

Mr. Phil Willis (Harrogate and Knaresborough): I also congratulate the hon. Member for North-West Norfolk (Dr. Turner) on securing this morning's debate. I have nearly forgiven him for the nursery voucher issue. He has certainly done some sterling work on the issue that he raises today and he is to be congratulated on bringing it to the attention of the House so forcefully. My constituents are grateful to him and to the Government for the way in which they are responding. I am sure that in her reply to the debate, the Minister will support my glowing comments about the Government and say that they have addressed many of the issues, giving my constituents cause for hope in future.

The problems in Harrogate and Knaresborough are similar to those that have been mentioned by other hon. Members. They are not quite as bad as those in the constituency of my hon. Friend the Member for Weston-super-Mare (Mr. Cotter), where programmes are beamed in in Welsh. However, we do get them in Geordie, which has the same effect on many of my constituents—with apologies to the hon. Member for Hexham (Mr. Atkinson), who I am sure is quite fluent in that language.

We have two transmitters beaming into Harrogate and Knaresborough. One is in Bilsdale near Darlington, which is used by Tyne Tees Television and BBC Newcastle. The other is at Emley Moor near Huddersfield, which is used by Yorkshire Television and BBC Leeds. The quality of both those transmitters, which will be upgraded to digital early in the process, is absolutely excellent. Both signals can be picked up in my constituency, but there is a rub: unfortunately, people who want to watch Yorkshire Television and BBC Leeds cannot get the signal that they want; nor can those who want to watch Tyne Tees Television and BBC Newcastle. People living in the same street find it difficult to watch the station that they want.

In one block of flats in the centre of Harrogate, the bottom two floors can get BBC Newcastle and Tyne Tees Television, and the top two floors can get Yorkshire Television and BBC Leeds. The residents argue constantly and, of course, feel that their local Member of Parliament should resolve the problem by building them a transmitter. Half my constituency cannot receive signals from Emley Moor in Yorkshire and that causes a bigger problem.

Another issue that has not been raised this morning has become more prevalent lately. When people upgrade their televisions and videos they now have automatic tuning. I do not know whether other hon. Members have the same problem as I do, but since my son went to university, we are unable to change the tuning. Automatic television and video tuning picks up the best signal, but overriding it sometimes requires an engineer. Our new television apparently needs a new piece of circuitry to do that.

The question is whether all this actually matters. Harrogate and Knaresborough are synonymous with Yorkshire, as are the flowerbeds of Harrogate at Harlow Carr. It is a pity that Madam Speaker is not in the chair as only last year, she had a rose named after her in Harrogate. I commend it to hon. Members who do not have one in their gardens. Betty's Tea Rooms is also synonymous with Harrogate, as are the conference centre, the spa baths and the pump room. Knaresborough castle, Mother Shipton's well, where hon. Members may wish to go and be petrified, and Nid gorge are all well-known Yorkshire landmarks.

Local people regard themselves as Yorkshire first and British second, and they aspire to being born and living in Yorkshire. Indeed, when my wife and I lived in Middlesbrough, we were expecting our second child and my wife rang up Yorkshire cricket club to find out whether the old boundaries of Yorkshire still applied and whether, if the baby was a boy, he would be able to play for Yorkshire. That is how strongly people feel about being from Yorkshire, about the Yorkshire region and, of course, about Yorkshire Television.

Mr. Miller: It has not helped their cricket club.

Mr. Willis: The hon. Gentleman refers to the finest cricket club in Great Britain, which is unbeaten this season. I am glad that the hon. Gentleman has given me the opportunity to praise our excellent side—I should add that I do so as a Lancastrian.

Many of my constituents agree that there is some excellent regional broadcasting and they want more of it. I found the statistics mentioned by the hon. Member for North-West Norfolk extremely interesting. I doubt whether people want more news, but they certainly want more regional programmes. They want to identify with their region and to know what is happening there. My constituents want to know what is happening in Yorkshire, not in Newcastle and Northumberland. They want to hear Yorkshire voices, not north-eastern ones. They want to see Yorkshire settings. They want Ceefax to provide Yorkshire regional information, not north-east regional information—another problem when they receive the wrong signal. They want to see advertisements for local Yorkshire products and companies with which they can identify.

Reference has been made to the regional development agency and the greater regional identity that is now developing. I totally agree. We want to see what the local RDA is doing, not the one in the north-east, which, of course, I am not decrying. That is not to say that Tyne Tees Television and BBC Newcastle do not make excellent programmes. In fact, the BBC in Leeds and Newcastle and the two ITV companies try to cover news in my constituency. They bend over backwards to do that. They co-operate and send each other's programmes down the line. Indeed, I am sure that the complaint from the constituents of the hon. Member for Hexham is that there is far too much regional news involving Harrogate, Knaresborough and North Yorkshire in the Newcastle broadcasts. The reverse is also true.

Some of the finest regional broadcasting in Britain is in my region. In fact, the Tyne Tees regional news programme "North East Tonight" has been shortlisted for the prestigious Royal Television Society national award for the third year running. That is quite an achievement for a regional news programme. "Calendar" is another programme with exceptional viewing figures, and the BBC's regional news programmes under the "Look North" title have larger viewing figures than the national news, as the hon. Member for North-West Norfolk noted.

What can we look forward to? Frankly, very little. Analogue broadcasting has 44 broadcast frequencies in use, and all are at their limits. There is simply insufficient

[Mr. Willis]

room for programme duplication without causing problems for viewers in other areas. There are 11,000 relay stations assisting with signals to overcome difficult topography. Harrogate in particular suffers from the fact that large hills obscure the signals from Bilsdale to the north and from Emley Moor to the south.

New transmitters could be installed, but the cost makes that unlikely, and the ITC refuses permission for new transmitters to be built, even when companies want to do so. Yorkshire Television offered to build a repeater transmitter in the Harrogate district to receive the signal from Emley Moor and pass it on. However, the ITC rejected the idea because the problem of overload would affect reception from the Bilsdale transmitter further north.

Despite the enthusiasm of the hon. Member for North-West Norfolk, it is unlikely that digital, provided through satellite and cable, will resolve all the problems. Far too many people—including, with respect, the hon. Gentleman—believe that digital will solve all the problems of regional broadcasting.

As I mentioned in my intervention in the contribution from the hon. Member for Hexham earlier, Sky Digital has no plans to broadcast any regional programme variations, yet the pictures available to many people in the country will come from satellite broadcasting. That is a really big issue. Sky Digital has no plans to duplicate ITV programmes because of the cost factor. At present, there are 27 regional and sub-regional services—Yorkshire alone has three sub-regional services—which would require 27 responders on the satellite. Neither Rupert Murdoch nor ITV sees much hope of recovering the costs involved through advertising. Indeed, I hope that the Minister will say what the Government plan with regard to satellite broadcasting, which is crucial for all our constituents.

Digital broadcasts from the existing masts at Emley Moor and Bilsdale will certainly improve the technical quality, but there is no guarantee that all problems caused by topography will be eliminated, and it is a misapprehension to believe otherwise. Some people will still not be able to receive the programmes that they want.

Digital through cable offers perhaps the best solution. It should be possible for viewers in Harrogate and Knaresborough to have a choice of at least two regional programmes, and for quality to be guaranteed. The challenge to the Minister and to the independent broadcasting commissions is to achieve that, so that people, especially those with cable, can select their preferred regional programme. Technically, through cable, it is possible for people in my area to pick up the south-west regional programme, but it is doubtful that companies will be obliged to offer such a range of programming.

The cable network will not reach every home within a reasonable time scale—if at all. I cannot get cable where I live. I am pretty sure that many hon. Members, especially those representing large rural areas, will discover that they were never going to get cable, as it was never going to be economically feasible for the companies to roll it out to those areas, and the companies are not required to do so. When the Government respond to the problem, it is, therefore, important that the needs of everyone throughout the United Kingdom are taken into account. People should be offered a choice of service that guarantees them good-quality regional broadcasting.

It will be some years before every viewer has access to digital. There is a real concern that the analogue service will be downgraded in the period while digital takes over. When the Minister replies, I hope that she will assure the House that until analogue is switched off, the quality available on that service is maintained at the highest possible standard.

10.15 am

Mr. Ben Chapman (Wirral, South): I begin by congratulating my hon. Friend the Member for North-West Norfolk (Dr. Turner) on securing this important debate, and on his comprehensive and distinguished presentation of his case. His speech enables other hon. Members to speak more briefly than we might otherwise have done, as he covered so many of the relevant angles. Therefore, I shall not touch on the technical issues—they are not my strong point anyway—as my hon. Friends the Members for North-West Norfolk and for Ellesmere Port and Neston (Mr. Miller) have dealt with them skilfully and eloquently. I shall concentrate on the way in which the problem affects the day-to-day lives of my constituents.

I came to the Wirral in 1990. I began campaigning on this matter as a private citizen before I entered Parliament, and have continued to campaign ever since. When I wrote to the television companies at the beginning of the decade about the problem, broadly speaking I was told that the companies' charter required them to cover about 95 per cent. of the population, and that my area belonged to the remaining 5 per cent. That was the end of that, as far as the companies were concerned.

That will not do. As has been explained, in the Wirral, we get our television from Wales and from the midlands. No matter how fond we are of those areas—and notwithstanding the distinguished connections with Wirral grammar school mentioned earlier—such programming is not relevant to people living in the peninsula. The problem is not new, and it gives rise to a heavy postbag. People in pubs and clubs constantly ask me about it. It may seem a frivolous matter, but it is far from that: it is important both to the community, and in terms of professional life.

Other hon. Members have described their areas' regional identities. The Wirral perceives itself, traditionally, as part of Cheshire, although formally it belongs to Merseyside. What it is not is part of the midlands or Wales.

It is not a question merely of wanting appropriate regional television coverage, but of needing it. There is the question of safety, for example. My constituency has many chemical plants—GATX and Lubrizol, for example, which handle chlorine and dioxins, and another chlorine plant at ICI Runcorn. There is also a nuclear facility at Capenhurst, in the constituency of my hon. Friend the Member for Ellesmere Port and Neston.

As an example, the Health and Safety Executive's guidance on the radiation emergency regulations requires news of emergencies to be relayed by television. People in my constituency—more than 2,000 could be affected—would not receive such warnings if they went out on

television covering the north-west. For example, many learned about the danger of polluted water only after the problem had been solved. That is not good enough.

The inability to receive appropriate television has other consequences, and regional news is an obvious case in point. People in my area want to hear the news as it affects their families and localities. We are interested in Cardiff and Wolverhampton, but not keenly. We want to know about the weather in our areas, not in someone else's: with great respect, it is not important to us that it is raining in Swansea or West Bromwich. When we watch football, we want to see Tranmere Rovers, Liverpool or Everton. Good though they are, Cardiff City and Birmingham City are not so important to us.

When my constituents travel to work through the Mersey tunnel, they want to know what weather will affect their journeys, and they are not particularly concerned about Machynlleth or Dudley. People want local traffic information, and local television programmes are a lifeline—a vital source of local information.

It is disorienting not to have regional services, and it may affect people professionally. Obviously, for example, it affects journalists if they cannot know what is going on around them. It affects politicians, too. I cannot see local political coverage—that is particularly distressing when I am on it! I could not see my own by-election on television, and that is ludicrous.

The lack of services may also affect builders. Watching television in the morning, they may not know whether they need to go to an indoor or outdoor working site because they are not seeing the right news and weather. One builder had a warehouse that burned down during the night, but he still turned up the morning because it had not been on the news.

The point is that this situation is ludicrous. To put it simplistically, people cannot understand how we can remotely repair a space probe on Mars, but not have appropriate regional television. I have raised the situation with the BBC, ITV and the Independent Television Commission at levels high and low, technical and policy. But I have made little progress, and less than my hon. Friends the Members for Pendle (Mr. Prentice), for Ellesmere Port and Neston and for North-West Norfolk.

Many issues surround any long-term solution. We may be able to consider coverage in the digital age when next we consider broadcasting legislation. However, there is a short-term problem, too. I receive many letters and complaints from people who feel that these problems have gone on far too long. Some constituents are considering withholding part of their licence fees. The idea of direct action does not sit comfortably with the burghers of Heswall and Gayton, and that is a measure of their frustration about a democratic deficit that disfranchises them. A television transmitter is clearly visible across the Dee, and people cannot understand why it cannot bring television coverage to them.

We must reconsider the priorities for the roll-out of television, whether for digital or for any future system. My constituents have tried all sorts of things—aerials 100 yd high, boosters and technical advice of all descriptions. None of it works. I make a simple cri de coeur on behalf of the people of the Wirral who think it is not too much to ask that they should receive appropriate regional television.

10.23 am

Mr. Christopher Fraser (Mid-Dorset and North Poole): I do not understand too much of the technical side of these issues, but I am a member of the Select Committee on Culture, Media and Sport, which has deliberated at length on broadcasting issues. Last year, we published a wide-ranging report on the multi-media revolution, many aspects of which the Government should carefully consider.

Many parts of my constituency cannot receive Channel 5, which is a great pity. Many parts of London also receive a poor range of services, and there is a major problem in terms of coverage across the country. The current digital revolution will have a profound effect on our society in many ways. The Government's intention, stated many times, is that, we should have an information-rich and socially inclusive society. However, I have enormous concern that, if the coverage of channels across the country remains as patchy as at present, the delivery of a full range of public services will not be received by all. That is a great pity.

As has been adequately articulated across the Chamber, regional broadcasting is vitally important to many communities, both urban and rural. Many people gain the information that they need every day of their lives to go about their business and undertake their social interests and tasks.

We live in a technological age—a digital age. We must first address the social implications of the issues of inclusion and exclusion that the debate begins to unfold. Chris Smith recently announced that he is to set up a regulators forum—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Perhaps I might remind the hon. Gentleman of the convention that we refer to right hon. and hon. Members by their constituency titles, not by name.

Mr. Fraser: I beg your pardon, Mr. Deputy Speaker.

The Secretary of State for Culture, Media and Sport has recently announced that he will set up a regulators forum to improve co-operation between the regulatory bodies involved in broadcasting. It will include the Independent Television Commission, the Radio Authority, the Office of Telecommunications and the Broadcasting Standards Commission. Will that body be responsible for addressing the need for further transmitters to ensure that digital coverage is universally received, as against the current situation?

My hon. Friend the Member for Lichfield (Mr. Fabricant) has pointed out that we await the Government's announcement of a date for analogue switch-off so that the industry can better plan coverage. I mean not only industry organisations that deliver services, but those that produce sets and equipment. An awful lot of television sets are not compatible. My own is many years old, and I will take a lot of persuasion before changing it so that I know that I will receive a proper delivery of service.

Analogue switch-off has the potential for greater geographical coverage, but that potential can be fulfilled only with analogue switch-off, as the available power of the multiplexes is in danger of interfering with analogue television. The Select Committee report stated:

"We consider that the issue of analogue switch-off should be taken forward not in isolation but in the wider context of the future of universal access."

[Mr. Fraser]

I would be grateful for the Minister's comments on that point.

The Government must allow the digital industry to improve coverage so that in future, the 0.6 per cent. of homes that have never received any television can receive some at the quality and standard that should be received by all.

Finally, I want to make a plea for minority viewers, a subject referred to briefly by the hon. Member for North-West Norfolk (Dr. Turner). Their situation illustrates the issues relating to delivery of public services. Specifically, I plead for the Royal National Institute for Deaf People, with which I have communicated, and which has put its case extremely well.

The RNID is frustrated about Government action over subtitling and services from which those whom it represents may benefit. It suggests the implementation of a voluntary charter in consultation with broadcasters. The new digital programmers must subtitle only 5 per cent. of programmes in year one, rising to approximately 50 per cent. in year 10. Only 11 per cent. of programmes will be subtitled in 1999 on digital terrestrial television.

If our society is to be socially inclusive, allowing everyone equal access to the information that they need to go about their daily lives, in whatever circumstances, the current situation is inconsistent with that objective. Groups such as the deaf become more socially excluded rather than included.

10.29 am

Mr. Gordon Prentice (Pendle): I shall be brief as many of the points that I intended to make have been adequately covered by hon. Members on both sides. I congratulate my hon. Friend the Member for North-West Norfolk (Dr. Turner) on the way in which he presented this matter, with which many of us have wrestled for years. Ever since I came to the House, I have battled with broadcasters to have regional anomalies between Lancashire and Yorkshire addressed. My pleas have fallen on deaf ears.

Left to themselves, the broadcasters will not act. It is, therefore, proper for us to address the matter in Parliament and to design rules and procedures that will force broadcasters to address the issues.

Why do anomalies in regional broadcasting matter? Ninety-nine per cent. of people watch television. Even in 1999, 300,000 people cannot receive terrestrial transmissions, but the overwhelming majority of the population watch television. Eighty-seven per cent. of people watch television at least once a day, and the most astonishing statistic of the lot is that the average person watches 25 hours of television a week. I do not believe that. The television may be on in the corner of the room, but the idea that most people are plonked there like gigantic couch potatoes watching television for the equivalent of more than one day a week beggars belief. I challenge that statistic.

What cannot be gainsaid is the fact that most people get their news and information from the broadcast media. That was the point made by my hon. Friend the Member for Wirral, South (Mr. Chapman).

We are still dependent on analogue; the audience is not yet fragmented, as it will be in 10, 15 or 20 years' time. However, not everyone will have access to the digital age. The Government must address that problem, and they are doing so.

The West Craven part of my constituency used to be in Yorkshire, until the Conservatives wrenched it out in the local government reorganisation of 1974. Many people there still feel an affinity with Yorkshire, which is reinforced when they pay their water bills to Yorkshire Water or their electricity bills to Yorkshire Electricity. Thanks to what the Conservatives did, Yorkshire Electricity may now be owned by Americans, but that identity and that sense of place is still important.

When my West Craven constituents switch on their televisions, they see Yorkshire Television. About 25 per cent. of my constituents never see me on regional television—[HON. MEMBERS: "Shame."] I am sure that that is a blessing in disguise. None the less, it implies a democratic deficit. Never mind about me; what about Liberal Democrat-controlled Pendle borough council, which is constantly vying with Labour-controlled Lancashire county council, and which smothers the area in "Focus" leaflets denouncing the county council for cutting back on winter gritting, for its education policies or for supposed cuts in the fire service? When people turn on their televisions, those concerns are not reflected. There is no comment about them and no analysis of the issues. That means a serious democratic deficit.

On 6 May, when I slump down in my armchair in the middle of the night after the local elections and switch on my television, I shall see the results from Scunthorpe and the rest of Lincolnshire, and from Leeds and North Yorkshire. I will not be able to see the results for the council that is coterminous with my parliamentary constituency.

The problem is about more than politics. There are, or could be, other serious consequences. In December 1996, there was an E. coli outbreak in West Craven, which struck down eight people. Fortunately, none of them died, but some were seriously ill. Granada and the BBC north-west region covered the story, but those programmes cannot be picked up in West Craven, the very area that the outbreak struck. Yorkshire Television did not cover the story because it considered that the outbreak was out of area. That is an extreme example of how regional anomalies can have a serious impact on a place.

What about the future for West Craven? We are not cabled. The way in which the previous Government drew up the licences, and the way in which companies were allowed to bid for the franchises, meant that they did not have to take into account rural or semi-rural areas. They did not have to take account of towns such as Barnoldswick, where I, along with 10,000 other people, live, or Skipton, over the border in Yorkshire—so cable is no solution.

We cannot get Channel 5 either. That is supposed to reach 70 per cent. of the population, but in Pendle, we shall be in the other 30 per cent. The digital revolution is now unfolding—the first digital transmission was in November last year—but we are not in that digital age. We are told that the 81 transmitters will reach 90 per cent. of the population. Last night, the Library staff helpfully dug out for me the Independent Television Commission's CD-ROM that prints out maps of the areas that will be

reached by digital broadcasts from the transmitters. There is Winter hill, the main transmitter in the north-west, and Pendle forest, a relay transmitter. The map makes it clear that on 17 May, when the switch is turned on, large areas of my constituency will not be able to pick up digital transmissions.

ONdigital is plastering the country with purple advertisements, but in large parts of my constituency, we cannot receive it, and there is nothing that ONdigital can do about that. I refer the Minister to her Department's document "Television: The Digital Future—A consultation document", which was published in February 1998. I do not think that the Government have yet made their proposals based on the consultation, but page 4 says about the reach of digital terrestrial:

"The Government will be discussing with the Independent Television Commission and the BBC the spectrum planning of digital terrestrial television transmissions beyond the initial 81 sites to extend coverage into those areas unserved by the first stages of the terrestrial transmission network."

That is the key. I do not want my constituents, any more than people elsewhere in the country, to have to wait for the benefits of the new information age until analogue is switched off in another 10 or 15 years. There must be an early programme to ensure that areas such as mine, outside the big urban areas and forgotten by the broadcasters, get the benefits of the new technology just as people living in the big conurbations do.

10.38 am

Mr. Richard Spring (West Suffolk): I warmly congratulate the hon. Member for North-West Norfolk (Dr. Turner) on securing the debate and on so comprehensively and directly addressing the important issues. I hope that the broadcasters will have listened carefully to the debate and will respond to the existing anomalies that the hon. Gentleman and many other hon. Members mentioned.

Given the power and influence of television, broadcasting is an important subject. In addition to its entertainment value, it is a source of information, bringing into the home vital up-to-the-minute news, current affairs, politics and weather forecasts—even if, as we have heard, some people get weather forecasts from other parts of the country.

Teletext services are also valuable, providing up-to-date information on an impressive array of subjects such as jobs, travel, accommodation, business news and share prices. They even provide lonely hearts columns.

Television has a role to play in increasing awareness of the arts, such as ballet and opera. It provides visual access to many sports, and performs an educative role in the form of the Open university and the BBC's "Learning Zone" broadcasts. It is especially important to the elderly, the infirm and the housebound. It now dominates all other media.

That said, we are undergoing a broadcasting revolution that may soon make existing technology appear crude and old-fashioned. That revolution means that broadcasting is one of the biggest growth sectors of the age, creating many opportunities and jobs. The most exciting thing about the revolution, which was started by the previous Government, is that the United Kingdom is leading the world. We are the first country to have digital terrestrial television. Industry sources have noted the number of visitors coming from abroad to seek advice. Sky and ONdigital have impressive initial subscriber numbers, and it is fitting that the nation that gave the world television should be in the driving seat, leading the way in television's digital revolution. I pay tribute to my right hon. Friend the Member for South-West Surrey (Mrs. Bottomley) for bringing in the Broadcasting Act 1996, which created the environment in which the digital revolution has expanded and become such an enormous success story. As a consequence of the Act, which reflected so much foresight, Britain leads the way.

Digital television is available in two formats, terrestrial and satellite, with a third—cable—to be launched early in the next millennium. That diversity will not only bring genuine choice to consumers but create healthy competition, which can force prices down. It is certainly in the interests of all to ensure that competition continues to extend throughout the industry. The fact that we are only at the beginning of this new technological era leads one to consider whether we are better advised to intervene now and risk unintended consequences or to allow things to sort themselves out naturally, perhaps taking action on analogue switch-off once things have become clearer. To echo my hon. Friend the Member for Mid-Dorset and North Poole (Mr. Fraser), will the Minister announce a firm date for switch-off, or will it be subject to the take-up of the new technology? Independent analysts predict about 24 million subscribers by 2008, a number many think too low to warrant the shut-down of analogue services.

The regional anomalies in television broadcasting were ably highlighted by many hon. Members. I know that my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) shares many of the concerns of the hon. Member for North-West Norfolk about coverage in her constituency. The present analogue system boasts 99.4 per cent. coverage of United Kingdom households. That means that fewer than 1 per cent. of households cannot receive a television signal. Some communities in remote areas are deprived of the benefits of television, as my hon. Friend the Member for Hexham (Mr. Atkinson) noted. It is desirable that digital television should provide at least that level of coverage, or, at best, universal coverage. It will be interesting to hear the Minister's view on that.

I welcome the Minister's recent comments outside the House that digital needs to be inclusive of all members of society and that we should ensure that we maximise the potential for digital to increase its accessibility. If we are serious about embracing digital technology, it must be accessible to all. Digital broadcasting is in its infancy. We have heard about the considerable difficulties in extending the desired coverage in mid-Wales, northern England, Scotland and elsewhere. For various reasons, fully 30 per cent. of households cannot have a satellite dish. Cable television is available to only 43 per cent. of households, and digital will not be available on that platform until after 2000. More encouragingly, it is estimated that digital terrestrial television will be available to 93 per cent. of households by February 2000. That growth was mentioned by my hon. Friend the Member for Lichfield (Mr. Fabricant) last week in the House. Those matters must be considered to ensure that no long-term problems arise on the coverage front.

[Mr. Richard Spring]

The hon. Member for North-West Norfolk noted an anomaly in his constituency and referred to a serious assault in Heacham. It was extraordinary that the television reconstruction was seen by 750,000 people but not by those who live in and around the area of the crime.

The switch from analogue to digital has potential problems of its own. If it is decided that the switch should be phased in region by region, it may lead to disputes about boundaries, possibly creating a disincentive for take-up in areas known to be down the line. As the hon. Member for North-West Norfolk said, the introduction of digital television presents a theoretically golden opportunity to iron out regional anomalies. However, given the huge technological changes envisaged in the next few years, people are concerned about several aspects, such as transmission to difficult locations.

What will be done to ensure that coverage reaches at least the 99.4 per cent. achieved by analogue transmission? Will the market be enough for that, or is Government intervention necessary? If so, when should such action be taken? Should digital be phased in regionally, or is the big-bang approach best? Are regulations to bring about standardised, inter-operable equipment advisable or necessary? Those are only some of the many questions that need to be addressed.

The hon. Member for North-West Norfolk and my hon. Friend the Member for Mid-Dorset and North Poole mentioned the anomaly that affects the deaf. As the Royal National Institute for Deaf People has told us, the low subtitling targets required of digital terrestrial broadcasters mean that people who are deaf or hard of hearing are effectively excluded from the digital revolution and all its benefits. New digital programme providers must subtitle only 5 per cent. of their programmes in year 1, rising to 50 per cent. in year 10. When averaged with the analogue simulcast targets, that brings the overall accessible output for hearing-impaired people to only 11 per cent. this year. With many more digital channels expected, that number is unlikely to improve. I shall write to the Minister to express my concerns in more detail. I feel sure that she will want to reflect on the problems of people with hearing difficulties.

The potential benefits of digitisation are immense. We should do all in our power to ensure that we have the most competitive possible marketplace to drive standards up and prices down and, we hope, to alleviate the regional anomalies described in this debate. However, I believe that it would not be correct to intervene in the digital marketplace now. Irrespective of how well meaning and admirable the desired outcomes of an intervention might be, there is a distinct possibility that the actual outcomes would be different. The Opposition believe that it would be better to allow expansion to take place as naturally as possible. It would be a great shame to act now and risk unduly hindering this complex technological revolution and the huge benefits that it can undoubtedly deliver.

In this process, I hope that coverage anomalies will be tackled. I urge the Independent Television Commission and the broadcasters to keep the issue firmly in their sights as a major concern, and the Government to hear what has been said this morning and to remind the broadcasters of what is at stake.

10.49 am

The Minister for Tourism, Film and Broadcasting (Janet Anderson): I sincerely congratulate my hon. Friend the Member for North-West Norfolk (Dr. Turner) on securing the debate and on introducing his ten-minute Bill the other day. The debate and the Bill address what is an important issue for many of our constituents. I thank him particularly because the subject is one that people often avoid; they feel that its technicalities are difficult. They are indeed complex, but, at the end of the day, it comes down to one thing: a better service for our constituents. We hope that a service can be extended to those who are unfortunate enough to be unable to receive it at present.

My hon. Friend and other hon. Members have pointed out how much people like to watch their own regional news. It is rather ironic that, at a time when we are seeing the growth of community television channels and when we are doing everything possible, through the regional development agencies and so on, to encourage people to develop regional identity, too many people are still unable to receive their regional television news.

The hon. Member for Hexham (Mr. Atkinson) pointed out that some of his constituents could not receive television signals at all. I did not realise that that was still the case, even though I know Hexham well—I was born in Newcastle, just down the road. I welcome his reference to the helpful BBC leaflet that explains that it is possible to receive satellite television without subscribing to Sky. That is a welcome development from the BBC.

My hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller) said that his constituents could receive only Welsh news from Wales and Wolverhampton. That problem is not technically insoluble. As he helpfully suggests, I shall talk to some of my colleagues in other Departments to find out what can be done to release spectrum.

The hon. Member for Harrogate and Knaresborough (Mr. Willis) complained that some of his constituents could receive only Geordie news. If he wants a translation, perhaps I could provide one. The hon. Gentleman referred to cricket in Lancashire and Yorkshire; I shall not dwell on that matter for too long, but I do not know whether he has noticed that Mr. Deputy Speaker is wearing a Yorkshire county cricket club tie—that is most appropriate for this debate.

My hon. Friend the Member for Wirral, South (Mr. Chapman) told us that he had been campaigning on this issue ever since he became a Member of Parliament. We know that, and I pay tribute to him for the way in which he has never lost an opportunity to present the concerns of his constituents. I very much agree with him that the subject of this debate is not a frivolous one. I was especially interested in what he said about the safety aspects: he pointed out that there are chemical plants and a nuclear facility in his area but that, often, people could not receive news about emergencies at those plants. That is extremely worrying. He also pointed out that he could not even watch coverage of his own by-election.

The hon. Member for Mid-Dorset and North Poole (Mr. Fraser) made an important point about social exclusion. Television can contribute towards including people throughout society. We are considering that matter. He also mentioned fact that my right hon. Friend the Secretary of State wanted to bring together a regulators

forum. We are considering that matter in the Department. The hon. Gentleman made the helpful suggestion that such a forum could investigate regional anomalies. He referred to the report of the Select Committee on Culture, Media and Sport; we always take particular notice of what is said by his and my colleagues on that Committee.

My hon. Friend the Member for Pendle (Mr. Prentice) probably summed up the matter when he said that the broadcasters will not act if they are left to themselves. I hope that that will not be the case, but I suspect that it might be true. Any pressure that can be exerted by Parliament will certainly be most welcome. The issue is important and we should not allow it to go away.

It is most welcome that the hon. Member for West Suffolk (Mr. Spring) so often agrees with us on these issues. I am delighted to hear that he and his colleagues agree with our evolutionary approach to what is happening in broadcasting. We believe that it is wise to allow the expansion to take place before the Government take action. It would be a huge error to do something only to find, six months later, that we had done the wrong thing.

The delivery of the correct regional services was an important issue in the planning of the analogue transmitter network. Nevertheless, we recognise that there are still a number of areas in the UK where consumers do not have access to television transmissions that carry programmes from the correct region. To date, the priority of the BBC, the Independent Television Commission and the Government has been to ensure that as many people in the UK as possible can receive a service. Sadly, it has not been a priority to improve coverage of the correct regional variations.

Many hon. Members have referred to the problems of the hard of hearing and those with sensory disabilities. I reassure the House that we have held discussions with the Royal National Institute for Deaf People about that, and I am today writing to the broadcasters to ask them what they are doing to encourage the development of digital services. In particular, we shall point out the need for more subtitling on television. We shall also refer to the problem of regional anomalies.

I understand the argument that digital technology, which increases the number of television services that can be broadcast, should enable regional anomalies to be corrected. Certainly, digital compression techniques do enable a number of services to be carried on a single multiplex, transmitted on one frequency channel. In the future, those techniques may be refined further so that the number of services transmitted at any one time can be increased.

The Government recognise the importance of providing the correct regional services, wherever possible. While analogue transmissions continue, it is unlikely that additional frequency channels could be found to use digital television transmission to rectify regional anomalies. However, we have asked the broadcasters to take into account the possibility of resolving such anomalies in future planning exercises and we shall continue to do so.

The Government want to encourage early and widespread access to the benefits offered by new digital technology. An announcement of a date for the switch-over from analogue to digital transmission will be an important driver in the take-up and success of digital television. The Government want to announce a switch-over date as soon as possible; that will be done as soon as is practicable. However, we are keen to ensure that the date we give is announced with sufficient certainty to give industry and consumers confidence in making their investment and purchasing decisions. That can be done only on the basis of a properly considered strategy, set against the background of actual digital services that are winning public acceptance.

My hon. Friend the Member for Pendle referred to a consultation paper, which we published in February 1998, entitled "Television: The Digital Future". That document dealt with the ways in which digital television and its benefits could best be introduced throughout the UK and how the switch from analogue to digital services could take place. We are now considering the responses to that consultation paper. A significant number were in favour of a Government announcement, within two years, of either a firm date or a target date. A significant body of opinion also favoured the timing of the announcement being based on criteria being met—for example, that of 50 per cent. penetration of digital services, or of near-universal penetration of digital services. Again, I thank my hon. Friend the Member for North-West Norfolk for introducing his ten-minute Bill, which made such a valuable contribution in encouraging the debate.

A co-ordinated planning exercise will be needed to assess the various issues that the switch-over to digital transmission will raise. One of those issues will be the priority to be given to resolving regional reception anomalies. Work on that is already in hand, and I can tell the House that we expect to say more on that matter before the summer recess.

I conclude by thanking everyone who has contributed to this important debate. For far too long, people have been reluctant to address this issue. The debate is a most welcome contribution and, like the hon. Member for West Suffolk, I hope that the broadcasters are listening.

Early Years Education

11 am

Mrs. Caroline Spelman (Meriden): I am pleased to be granted the opportunity to introduce this debate on early years education; the subject is very close to my heart, as I have three children who fall into that category.

We need to define what we mean by early years education—there is some confusion as to the age group that is covered by that phrase. I asked the headmistress of my children's local school, whose authority on such matters I always respect. She told me that it was internationally accepted that early years education covered children up to the age of eight. I was rather pleased to hear that because, although I am not a professionally trained teacher, that is the age group of which I have direct experience. That experience has been accumulated in several different locations: the nature of political work is such that one moves around a lot, first as a candidate and then as a Member of Parliament to one's constituency; and because early years education provision varies around the country, I have had a chance to experience several different systems.

Above all, I am anxious that today's debate should focus on the quality of early years education and that the needs of the child should be paramount in our discussion. By the end of the debate, we should have a better idea of what we mean by "quality" and be working on ways to achieve that quality for all children. Key to the provision of early years education are the people who look after the children. Children need to attach themselves to someone—the jargon refers to such people as "key workers"—but the parent's understanding of their role is rather different from the child's. The first time a mother takes her young child to a place providing early years education, it is a wrench to leave that child for two and a half hours; usually a few tears are shed, and not only by the child.

It is essential that both parent and child trust the worker who is to take care of the child. Trust develops over time, and the authority, ideas and values conveyed by that other adult become important to the child's family and then to the community in which the early years provision is located. I am sure that other parents will be able to identify with what authority their child comes home and says, "But Mummy, Mrs. McKay said today that we must do such and such." That shows the influence that that key person can exert.

If there is turnover in staff, or if staff are of inadequate quality, that can be extremely unsettling for a child, so the quality of personnel is an essential consideration. We have to decide what should be the minimum qualifications for those working in early years education. What sort of training should they receive, and who will manage and monitor that? We must also consider the issue of child protection. Unfortunately, we have become more aware of how vulnerable children are in all sorts of educational settings, so adequate thought must be given to protecting them.

The second key element of quality is the environment. That extends beyond the basic requirements of the environment being clean, safe and warm; it must be appropriate to the age group of children. I was concerned by the report of Her Majesty's chief inspector of schools which identified several early years environments that were inadequate: for example, 14 per cent. had no outdoor play area. As all parents know, as well as learning, children of the ages covered by early years provision need to let off steam. If there is no outdoor facility, that environment is not appropriate to the age group.

Another key element in quality is close examination of our real objectives in providing early years education. Is it primarily for the benefit of the child, or are our objectives mixed? If we have the child's interest most at heart, we need to be realistic about the amount of time that children spend in early years education. Pre-schoolers often cannot cope with more than two or three hours per day, and they are very tired at the end of that educational experience. A child of statutory school age typically copes with a six and a half hour school day. However, if our hidden agenda is to provide more early years education so as to help more women back into work, the child's day easily becomes extended to nine hours or more, and children have difficulty coping with long periods spent outside the home.

The working day conforms to typical shop or office hours, and so extends beyond the school day. That presents us with a dilemma. I fear that there is a real danger of young children becoming institutionalised when they are in supervised educational environments for up to 12 hours each day, often throughout school holidays, because working parents are typically allowed four weeks annual leave, whereas school holidays extend well beyond that period.

Mrs. Anne Campbell (Cambridge): Does the hon. Lady recognise that it is important to give parents the opportunity to work part-time, if that is their preference? Does she agree that a great step in that direction will be achieved by the introduction of the working families tax credit and child care tax credit, which the Government intend to introduce in the autumn? Those are policies which the Conservatives are opposing; how can the hon. Lady oppose them when it is of such advantage to parents to be able to work part-time?

Mrs. Spelman: I shall come to the WFTC later. Part-time working is more compatible with school provision, but part-time workers often find that their leave is not concordant with school holidays, which leaves us with the problem of children tending to become institutionalised. Children need to learn at home as well.

Mr. Graham Brady (Altrincham and Sale, West): Would my hon. Friend care to comment on the fact that the real growth in part-time working happened during the 1980s and early 1990s? At that time, Labour Members did not consider part-time jobs to be proper jobs, but now they are in government, and part-time work is the only form of employment that is growing, they think it is most important to encourage that sort of employment.

Mrs. Spelman: I agree and I thank my hon. Friend for his intervention, because it gives me an opportunity to nail a myth. The growth in early years education is not the invention of any one political party; it reflects changing practice in the workplace, not only in this country, but throughout the western world. Twenty years ago, far fewer women wanted to go out to work when their children were in the early years category, but with wider educational and employment opportunities for women has

come a greater desire to do so. I should not like the debate, which should focus on the needs of the child, to be diverted by false claims of victory in matters of employment.

Mr. Bernard Jenkin (North Essex): May I draw my hon. Friend's attention to the damage that is being done to existing nursery school provision by additional regulations? I have received a letter from a playgroup in Wivenhoe in my constituency; it is a charitable institution which receives voluntary help. Its pupils are being siphoned off—in some cases unnecessarily—into the new early years education provision in state schools; and the Government's minimum wage legislation is having a damaging effect on its financial viability, as is the requirement for three weeks paid leave, rising to four, and the need to pay higher national insurance contributions on wages in excess of £105 a week. Those damaging measures have forced the playgroup to move to cheaper premises and to cut staff—is it Government policy to do that?

Mrs. Spelman: I thank my hon. Friend for that intervention; he will find that later parts of my speech deal with those issues, but he has provided another example of the problem. The phenomenon he describes is not confined to one part of the country, but is widespread.

I am concerned that increasing the number of hours of early years provision should not be detrimental to the needs of young children. The needs of many young, often single, parents may also be properly catered for by stability and security of provision throughout the early years. Whether they are young, old, single or married, all parents of young children need support, advice and encouragement. Parent evenings offer invaluable opportunities to get an angle on how to handle one's own child, but, sadly, not all parents take that opportunity. I am worried about the Government undermining parental and family support through the child care tax credit, because it can only be used for paid, registered child care, which means that there is little practical support when other family members and much-loved informal carers care for young children.

There is a debate about what quality means and what children are being taught at this stage in their education. Adults often think of easily quantifiable goals such as the age at which a child learns to read, write or count. We have forgotten how much we learned informally as young children through creative play, experiments and games. I draw the Minister's attention to an article that appeared in *Nursery World* on 8 April this year which compares and contrasts the Scottish system with the English early years curriculum. Approaching the issue from the child's angle, it asks: would a child prefer an adult who creates opportunity for play, improves communication and stimulates his or her interest in a happy environment, or would a child rather be with adults who have goals that will establish expectations for him or her based on what most children can do by the end of the reception year? I was horrified to read that, according to the Government's consultation document about early learning goals, my four-year-old might be expected to:

"form sentences sometimes using punctuation."

What if he cannot do that? Does it mean that he will be labelled a failure at age four? It is extraordinary that that should be considered a "desirable outcome".

Those goals do not cater for children who are disadvantaged by the fact that English is not their first language or who have a learning difficulty. Boys and girls make different developmental progress. I have children of both sexes and I have seen how four-year-old boys take a different approach to learning. It is interesting to watch the way in which girls settle into a nursery setting, interact with each other, take out their books and get on with it while the chaps tumble around on the floor.

There is also the question of the range of early years education, to which some hon. Members have alluded already. There is no doubt that parents have demanded more early years provision. I am astonished by the range and quality of early years education in this country. When I moved to my constituency of Meriden, I was surprised by the level of nursery provision available throughout the Solihull borough. I freely admit that the nursery vouchers scheme proposed by the previous Conservative Government was wholly inappropriate for that borough—but I do not want to be distracted into a discussion about how successful that was not.

The fact is that there is a high level of state provision in my borough, which aims to ensure total provision for all three-year-olds by 2000. However, I also observe that private provision is struggling to compete and that parental choice is diminishing. Two nurseries in my constituency that will have to close this year have approached me. Both nurseries predate the establishment of the state nursery that is attached to the local primary school, and one of them has been around for about 40 years. In that case, mothers got together and provided playgroup-nursery support in order to meet local demand in the community. The nursery is situated in the local church hall and is an important economic link for that church.

Two things have happened to nurseries in my area. First, the creation of the state nursery has encouraged parents to take up places there because they are afraid that they may otherwise not secure reception places. There is no better place than this House to speak the truth about what is happening in the community and the subtle constraints being placed upon choice.

Mr. John Hayes (South Holland and The Deepings): The other side of that coin is that the space allocated to nurseries within primary schools is preventing expansion and development for older children. That is happening in my constituency. The spin-off is that popular schools have less room to expand their facilities for older children because they are offering nursery provision that is already locally established in the private sector.

Mrs. Spelman: My hon. Friend makes a valid point. The schools in my area that have expanded to provide state nursery education are stretched for space for other ages.

As my hon. Friend the Member for North Essex (Mr. Jenkin) said, the Government's new employment legislation has compounded the strangulation of private provision. The people who run the two nurseries in my constituency that are to close have cited specifically the effect of the introduction of the minimum wage upon the economics of their operations. When they approached me, they were unaware that, under minimum wage legislation, they would be required to pay maternity and annual leave.

[Mrs. Spelman]

They were horrified that their small establishments—which grew out of ad hoc arrangements and are supported in the community—would be knocked sideways by that heavy-handed employment legislation.

That pattern is replicated up and down the country. The Pre-School Learning Alliance calculates that about 1,700 pre-schools are threatened with closure this year in addition to the 1,500 that closed in 1997 and 1998. The Department for Education and Employment disputes those figures, but its claim of a net loss of 100 playgroups is definitely flawed as it is based on social services statistics, which include changes of name, ownership and address. We must approach closure statistics with caution.

Mr. Ian Bruce (South Dorset): Many mums who help with playgroups are volunteers and are pleased to receive about £8 for a 4-hour session to help with their own costs. Is it not ridiculous to rule that those mothers must be paid £3.60 an hour or work for nothing when the old arrangements worked sensibly? That must be an unintended consequence of the Government's minimum wage legislation.

Mrs. Spelman: I thank my hon. Friend for that intervention. He makes my point precisely: it is wholly inappropriate to talk in ideological language about poverty pay in nurseries when, in reality, there is often a high level of volunteer and parental involvement in those operations. Parents have been happy to be involved in that way to date and they are greatly disappointed to see that heavy-handed legislation eroding their achievements over the years in providing a service to the local community.

Real partnerships can be achieved without that sort of heavy-handedness and strangulation by state nurseries. My children attend Knowle Church of England primary school whose site also comprises a private day nursery, Early Birds, which offers nursery provision and a wrap-around service. Continuity for children is provided on the same site. I urge the Government to recognise that it is possible for private and state provision to co-exist happily in a real partnership. It is a symbiotic relationship that allows parents a real choice.

So that the Minister's response is not distracted by a sterile ideological debate about employment law and its application in this area, let us return to the key question: what is quality in early years education? What should the minimum standard be and what target should we set for premium provision in early years? How can we ensure that the poorest areas do not suffer from the poorest provision? How do we deliver quality early years education across the board? Above all, how can we ensure that we get it right for our children? To fail them in this endeavour would be to deprive them of the full glory of childhood—and our generation would have an awful lot to answer for if that happened. That is why I have initiated this debate.

11.19 am

Jacqui Smith (Redditch): I thank the hon. Member for Meriden (Mrs. Spelman) for securing the debate on an issue that we all agree is important and I am grateful to have the opportunity to contribute to it. The Government have already made significant commitments to, and progress in, the provision of early years education, and I shall refer to that later in my speech.

I agree with the hon. Member for Meriden that the quality of educational provision for young children is important and that one factor that determines that quality is the stability of the staff and the key workers with whom they come into contact. There is a conflict between aiming to achieve that objective, and refusing to accept that it might be necessary for staff to receive decent levels of pay and training. The minimum wage is a way of ensuring a reduction in labour turnover not only in child care provision but in all small businesses. It ensures precisely the stability that is necessary to provide high-quality child care.

Mr. Hayes: Surely the logic of the hon. Lady's argument would write off a whole range of community initiatives and voluntary and charitable work. If, as she is saying, quality and continuity can be provided only by professional staff, that would put an end to a range of activities, not only in education but many other areas of life, which are provided in my constituency and, I am sure, in hers.

Jacqui Smith: I certainly was not arguing that quality depends only on a professional input. Of course, it depends on good volunteers, but there is a slight irony in saying that we need to maintain stability and continuity of employment, but that we are not willing to underpin that aim with a minimum wage, which, as experience in other countries has revealed, helps to reduce labour turnover.

Mr. Ian Bruce: I am sure that the hon. Lady will agree that to pay a professionally qualified teacher £3.60 an hour would be an insult. Conservative Members are not suggesting that it is right to take on professional people at that rate, but surely the minimum wage is not aimed at such people. It is suitable for people who are willing to volunteer to work in organisations that have money to help with the expenses that such volunteers incur by driving to the place of work and, perhaps, putting their own children into child care. What is wrong with those people being paid an £8 allowance for working in such places or being able to volunteer their services for free? Surely the hon. Lady can determine the difference between what we are asking for and the Government's rigid minimum wage legislation.

Jacqui Smith: As a member of the National Union of Teachers, I do not think that £3.60 an hour is an appropriate rate for a teacher. However, pay of less than £3.60 an hour is not appropriate for people whom we trust to care for and develop our children. That is the significant point.

Mr. Jenkin: Will the hon. Lady give way?

Jacqui Smith: No, I want to move on.

As the hon. Member for Meriden said, the issues connected with early years education range much wider than the minimum wage and employment legislation, although they have an important contribution to make. I declare an interest as the mother of a five-year-old and a child of 10 months. Two years ago, my family was lucky in that my son was able to attend the nursery class in a local primary school. Like many parents, we sent him there because we wanted him to have the opportunities

offered by high-quality early years education. Those include the chance to meet and play with other children; the opportunity to experience a range of stimulating, fun play and learning activities; the opportunity to learn how to work in a group; the chance to talk, listen and develop concentration, and the chance to learn how to share, or not, as the case may be. That high-quality early years education provides not only a social introduction to school but the early foundations for literacy and numeracy that are so important for raising standards later in children's school life and beyond.

Like the hon. Member for Meriden, I welcome the opportunity to discuss my child's progress with qualified staff. Anyone who has experienced a parents' evening knows the slight trepidation that one feels when one arrives at the school to talk about the child's progress, but it is crucial to have an early analysis of children's strengths or special needs because that can provide an early indicator of support that is needed or even just ideas for talking to and playing with them. I agreed with the hon. Lady when she stressed the importance of the parents' role. I am not an expert in colouring with pencils, cutting out and other activities that are important for children. I welcome the expertise offered by the nursery class that my son attended and in his present primary school which gave me ideas about what to do with my children.

The other day, I was particularly pleased to visit Hollyoakes Field first school in my constituency. That runs a good project, according to which parents are invited into the classroom to work with teachers and benefit from those ideas for developing play and learning opportunities outside the classroom. We want to develop more of those initiatives that involve parents.

I recognise, from my experience, the advantages of early years education, but for my child such provision was piecemeal. What children received was determined by luck, one's ability to travel and often, most significantly, by one's ability to pay for quality nursery care. I recognise the important role played by private providers, but we should have learned from the past the lesson that parental choice cannot be delivered simply by allowing a free market to exist without planning and coherence in provision.

That was particularly the case under the former Hereford and Worcester county council when it had a Conservative administration. The council provided itself a low-cost education service and viewed nursery and early years education as a frill which could be dispensed with to keep costs down. My family benefited from the Labour and Liberal Democrat administration that took over the council, which succeeded in increasing the number of nursery classes and realised the importance of that provision for children's long-term success. Despite the improvements made by that administration during the 1990s, the authority continued to be hampered by a lack of political and financial support from national Government and, most significantly, a lack of a coherent strategy across the range of providers of nursery and early years education. That lack of co-ordination was, of course, exacerbated by the introduction of the nursery vouchers scheme.

It might be worth while reminding ourselves, as a contrast to the present situation, what happened under the nursery vouchers scheme. It managed to combine the worst disadvantages of a completely free market—lack of planning, no entitlement to, or equality of access and no certainty of supply—with a bureaucracy that left parents gasping and taxpayers footing the bill. I welcome the Government's quick action to establish early years development partnerships and plans. It is clear from experience that we can achieve a coherent system only if we involve all providers, public and private; local authority social services, as well as education services, and employers, training and enterprise councils and parents.

Mr. Brady: Does the hon. Lady accept that one of the main criticisms of the nursery vouchers scheme was that it encouraged schools to take children into reception classes, which was inappropriate? Does she accept also that it is unfortunate that that trend has not stopped following the ending of the vouchers scheme? Would she care to comment on that?

Jacqui Smith: There is a slight irony in the Opposition arguing for parental choice while suggesting that there are press gangs of reception class teachers wandering around towns, grabbing unsuspecting children into their classes. Conservative Members cannot argue both for parental choice and that there should not be broad provision. I accept the—

Mr. Brady: Will the hon. Lady give way?

Jacqui Smith: No; I shall make progress.

I accept that there needs to be a choice—which the nursery voucher scheme certainly did not deliver. To deliver that choice, all the providers—public and private—must work together.

The Government undoubtedly set a tough task in the preparation of early years development plans. I accept that providers that had become used to competing have not always found it easy to work together. Before planning, one needs to know what provision already exists. The new system introduced tight time scales. The Government—in my view, rightly—put the responsibility on the early years development partnerships to consider not just provision but special educational needs, equal opportunities, training and quality assurance.

Locally, at the start of the process, people expressed some concerns to me, but they took on the challenge. In Worcestershire, they have already delivered a free place for every four-year-old and they are working to fulfil the Government's target of providing free, good-quality early education places to 66 per cent. of three-year-olds by April 2002.

The development partnership and the local education authority have appointed an early years development officer. They have formed mentor-teacher teams to support good practice in a full range of settings, in recognition of the need for quality provision and the challenges of developing learning opportunities for younger children.

There has been some concern about the learning experiences of young children, especially in reception classes. The very fact that we are holding this debate recognises the huge expansion in early years provision that has already taken place and the proposed even bigger expansion in it. It is a luxury that we did not have under the previous Government, because at the time not many

[Jacqui Smith]

children benefited from that type of education, so we did not need to discuss it. Nevertheless, it is important, and I know from first-hand experience that some excellent work has gone on in reception classes with young four-year-olds.

Much of the debate has centred on a false distinction drawn between formal education and other nursery education. Being in a primary school does not necessarily or automatically imply a style of learning, just as being in a nursery or playgroup does not. What matters is what teachers and other staff actually do with the children.

Now that the system is developing, there is an important job to do. Unlike the hon. Member for Meriden, I believe that it is important to clarify desirable learning outcomes, not because we want to regiment children or stipulate that all children must have achieved a certain standard, or because we want to declare them to be failures, but because it is increasingly important, in such a developing area, that we consider good practice, not just for four and five-year-olds but for three-year-olds. Is the hon. Member arguing that we should have no clarity about what we are trying to achieve with children of those ages in primary or nursery education? I believe that that is precisely the provision which we should be developing. I also recognise, as mentioned by the hon. Member, that there are important new training needs for staff working in early years. The Government also accept that. In the longer term, we must ensure that there is evaluation of, and research on, what works for younger children.

I would welcome the formation of a distinct phase of early education, with different approaches to the way in which we teach children and with an emphasis on training teachers and other staff about those approaches. The Government's development of early years education provides us with a very good opportunity for doing so.

The process in Worcestershire continues. Targets must be met, and I hope that my hon. Friend the Minister will comment on the county's progress, especially bearing in mind the very low point from which it started, following the experience of the 1980s.

I am pleased that we are starting to consider child care, too, and I am sure that other hon. Members will discuss that issue. Services for young children and their families obviously need to be developed holistically. I welcome the fact that Worcestershire has a multi-disciplinary audit team, which is studying current provision in order to develop it. In a county such as Worcestershire, where there are urban and rural communities, there is a range of questions to be asked about access to child care and early years education.

The development partnership has already been extended in Worcestershire, and it is working with local groups such as the Redditch Playcare Partnership—a group of providers, users and agencies involved in providing playcare. I know that that local group has welcomed the opportunity to make an input to the consultation undertaken by the early years development partnership and the local education authority.

Just as it is necessary to develop a coherent approach to the provision of early years education, we now need to link education, child care, play and other services dealing with young children. I was slightly concerned by what the hon. Member for Meriden said about institutionalising children. I agree that education and child care are governed by some different objectives, but it does not help us to develop a coherent approach to all a child's needs if we condemn some of the good work in child care provision as institutionalising children. We need to monitor quality, but that is not helped by condemning existing provision.

On that basis, I especially welcome the Government's commitment to the sure start programme, and to early excellence centres. Clearly, in its widest sense, education does not start at school or nursery or playgroup, and it is affected by more than educational provision. That is why it is so important that we provide parents with support, and that we bring together agencies to work holistically.

Mr. David Drew (Stroud): One of the key issues is not the choice between providers but the choice within the week, so that children can go to different providers to get a rich variety of different provision.

Jacqui Smith: I agree with my hon. Friend.

I know that the Redditch Playcare Partnership is especially keen to contribute to developing initiatives on sure start and early excellence centres, and I hope that the Minister will consider Redditch in future programmes.

The Government have set tough targets. They are expecting a lot, but they have given a commitment to deliver, which is already reflected in local provision. I am glad that we have had the opportunity to hold the debate, and I look forward to the Government's future work in early years education.

11.38 am

Mr. Don Foster (Bath): I congratulate the hon. Member for Meriden (Mrs. Spelman) on securing the debate. I also congratulate her on devoting much of her contribution to the vital importance of ensuring that all provision is of high quality. I am especially delighted to be able to contribute to the debate because I am president of the National Campaign for Nursery Education—many of whose members will visit the palace today. I hope that as many hon. Members as possible will take the opportunity to speak to members of that organisation from their constituencies.

One of the very welcome aspects of the debate has been the fact that hon. Members on both sides of the Chamber have shown a clear recognition of the strong emphasis that needs to be placed on high-quality early years education. I believe that all hon. Members in the Chamber recognise the real educational and social benefit to children that will result from such provision. We know from research that children who benefit from such provision are likely to obtain better jobs in later life, are less likely to make demands on social security systems and are much less likely to be involved in juvenile crime. We also know that such provision provides the opportunity for the early identification of special educational needs and the opportunity to start tackling them as quickly as possible.

As has been said, perhaps equally important is the way in which early years education provides an early opportunity for the vital involvement of parents in the educative process. Evidence suggests that if we can involve them early in the process, they are likely to remain involved at all stages of schooling.

Given the importance that we all place on high-quality early years education, I welcome the progress that is being made. I welcome also, of course, the abolition of the bureaucratic nightmare of nursery vouchers. I have never heard a better condemnation of it than that of the hon. Member for Meriden, who said:

"how successful that was not."

The hon. Lady was right: it was not a successful system.

Like the hon. Member for Redditch (Jacqui Smith), I welcome the increased emphasis that is now placed on early years development plans and the linking of early years education with child care. I hope that the Minister will consider in more detail the qualification framework for child care providers and the registration of child carers.

I welcome the fact that we have almost universal provision of early years education for all four-year-olds whose parents want it for their children. I also very much welcome the Government's introduction of sure start, which is a scheme to provide education support to the parents of very young children. Incidentally, the idea was contained in the Liberal Democrats' manifesto at the last election. It was not in the Labour party's manifesto, but we are delighted that Labour picked it up and is running with it.

Mr. Hayes: The hon. Gentleman always speaks with great honesty and knowledge on these matters. However, he is welcoming a great deal; that will ring pretty hollow in many parts of the country, because people know very well that there is a pre-school playgroup or nursery closing every other day. There is a crisis in the playgroup sector, particularly for the care and education of two, three and four-year-olds, as the hon. Gentleman will know. I hope that he will deal with that and attack the Government on that basis. I know what a decent and honourable chap he is.

Mr. Foster: The hon. Gentleman has always been so generous to me in his contributions. He will know that I try to be fair to both sides in such a debate and, as he knows only too well, he has anticipated the next part of my contribution.

I was saying before the hon. Gentleman intervened how much I welcome the sure start scheme. I say in, I hope, a somewhat friendly way to the Minister that, although I welcome sure start, I do not think it has been necessary for the Government continually to launch it. One launch would seem to be enough. The Government have now launched the scheme on five separate occasions, which seems to be going over the top. I suppose, to borrow a John Lewis slogan, that Labour is the party that is never knowingly underlaunched.

I recognise that not all is well, and, although I welcome some of the developments that have taken place, I wish to share some concerns with the House. The hon. Member for Meriden, who is now sitting on the Opposition Front Bench—I congratulate the hon. Lady on her promotion—rightly expressed concern about space provision in early years settings. She will recall that it was a Conservative Government who abolished the requirement for space provision. I am delighted to see that the Minister is so supportive of that comment, but I remind her that, despite my repeated attempts, I have not yet persuaded the Government to reinstate the requirement. Perhaps she will make a promise later in the debate to do that.

Mr. Jeffrey Donaldson (Lagan Valley): Before the hon. Gentleman leaves the subject of sure start, will he join me in calling on the Government to extend the scheme to Northern Ireland, which is the only part of the United Kingdom that does not have the benefit of the scheme? It is the part of the UK which has the lowest provision of nursery school places.

Mr. Foster: I am more than happy to support the hon. Gentleman in his call. He has raised the interesting point of the variation in levels of provision throughout the UK. In Scotland, for example, the Labour party is committing itself in its manifesto to the provision of high-quality early years education for all three and four-year-olds in that part of the UK. It is a great pity that such a promise to provide sure start in Northern Ireland, for example, or a guarantee of the provision of education for three-year-olds in England has not yet been made, not least given that, at the last election, the Labour party's manifesto stated:

"We will set targets for universal provision for three-year-olds whose parents want it."

To date, no target has been set for universal provision by the Labour Government, although I acknowledge that there has been some improvement in the level of provision.

Ms Sally Keeble (Northampton, North): Does the hon. Gentleman accept that Liberal Democrat councils have a woeful record of provision of nursery places? I think that I am right in saying that the Isle of Wight is one of the least good providers. Certainly it is Labour councils that have provided universal nursery education, not Liberal Democrat councils.

Mr. Foster: No. I categorically do not accept that from the hon. Lady. She can trade individual local education authorities with me until the cows come home. I assure her that I can match LEA for LEA with her in terms of the inadequate provision of a number of aspects of education. Perhaps she will reflect on the fact that, over the past two years, under a Labour Government of whom many people expected a great deal, many LEAs have had to cut provision further, be they Labour, Liberal Democrat or Conservative. The hon. Lady shakes her head, but, in reality, the amount available in real terms per pupil under a Labour Government has been cut in each of the past two years. That, of course, makes it difficult to make provision.

It is important that we have quality provision. The Government have acknowledged that there is a link between quality of provision and class size; yet, under the Government, average nursery class sizes have increased. That makes it difficult for local education authorities to provide high-quality education. It must be difficult to provide high-quality early years education for the 90,000 children in England alone who are in reception classes of more than 30 children.

We have all accepted that it is important that high-quality early years provision should be made by a variety of different providers, including the voluntary, the state and the private sectors. It must be of real concern, therefore, that there have been many closures of, for example, pre-school playgroups. There is increasing concern about the closure of nursery schools. The National Campaign for Nursery Education is increasingly concerned about reports of

[Mr. Foster]

closures and about the sacking of some nursery nurses, who have been reappointed as lower grade staff so as to cut costs. I welcome the Government's announcement that there will be an independent review of the cause for the closure of some playgroups.

The hon. Member for Redditch was right, as was the hon. Member for Meriden, when she said that, if we are to talk about quality, we must be clear what provision we are talking about and what we expect those who are providing high-quality early years education to provide.

Two and a bit years ago, my party advocated the establishment of a foundation key stage. We argued that if we have key stages for all other parts of our education process, there should be one for early years education. We advocated that it should specify the appropriate qualifications for staff, the appropriate setting in which learning would take place and the appropriate set of learning activities. I am delighted, therefore, that the Government seem to be accepting that Liberal Democrat proposal as well, but we must debate what learning activities should be contained within it. I worry that the proposals in the Qualifications and Curriculum Authority review suggest that perhaps—and it may only be perhaps—the Government are going in the wrong direction in respect of the kind of learning experience that they want three and four-year-olds to have.

The review seems to emphasise getting children to read and write early, but all serious research suggests that that is harmful, rather than helpful, to young children. For example, Hungary, Switzerland and Belgium all recognise the importance of delaying the start of formal education and using the early years to set the scene and to prepare children appropriately. The Hungarian kindergarten handbook, the Swiss Rahmenplan and the Flemish core curriculum all emphasise dealing with the concrete and representational, rather than moving to the purely abstract that reading and writing entail.

The Flemish core curriculum states:

"Too large and particularly too early an emphasis on the abstract may lead to a method of hearing and blandly repeating: of blindly applying learned procedures and reasoning at the cost of real understanding. When we give children time to gain understanding . . . they will automatically have fun doing Maths later on."

The research is clear: although Hungarian and Flemish-speaking Belgian children enter primary school at the beginning of what is our year 2 having received no teaching at all in reading and writing, within only one term almost every ordinary Hungarian and Flemish-Belgian child can read and write. That is compelling evidence indeed. It is vital to protect the youngest children in our schools and in nursery settings from inappropriate pressures, which lead to premature and counter-productive instruction. That protection should be guaranteed in the foundation key stage.

I am not alone in expressing concerns about the QCA review. I said at the beginning of my contribution that I was delighted to be the president of the National Campaign for Nursery Education. It has welcomed the idea of establishing a foundation key stage, but cannot support the current review. It feels that the review is a travesty, saying:

"The narrow emphasis on literacy and numeracy and the notion that the 'majority' of children should achieve these goals will inevitably mean that many children are set up for failure; those particularly vulnerable will include summer-born children, bilingual learners, boys and those with Special Educational Needs."

Mr. Hayes: Will the hon. Gentleman give way?

Mr. Foster: I will not, because other Members want to contribute.

The foundation stage should protect children from counter-productive pressures and open, rather than close, avenues for learning.

We have made much progress in early years education, which I welcome, but I believe that, in this area at least, the Government may be going down the wrong road. As everyone is making special pleading, I hope that the Minister will make an visit to the Bath Opportunities playgroup, which provides excellent support to children with severe learning and physical difficulties. It has serious financial problems and anything that she can do to help will be gratefully welcomed.

11.54 am

Mrs. Anne Campbell (Cambridge): I welcome the debate and congratulate the hon. Member for Meriden (Mrs. Spelman) on securing it. It is particularly appropriate that she has done so, because it was Margaret Thatcher who remarked in the 1970s that her Government would provide nursery education for all three and four-year-olds. A Conservative Government never came anywhere near meeting that aspiration. Nursery provision in Cambridgeshire, which is my local authority area, never reached higher than about 34 per cent. in the whole period of Conservative government. It is fitting that a Labour Government will achieve nursery education and appropriate child care for all three and four-year-olds whose parents want them to have it.

Mr. Ian Bruce: Will the hon. Lady give way?

Mrs. Campbell: I have only just started my speech and I will not give way at this stage.

It is appropriate to provide for parents a wide choice of nurseries, playgroups, child minders or even reception classes for their children to take advantage of. A good number of parents with mature four-year-olds would like their children to be in reception classes rather than in nursery classes, but that gives rise to a particular issue in my constituency. Cambridgeshire has a policy of allowing schools to admit children in the September after their fourth birthday, which means that children born in July or August may start in reception classes shortly after their fourth birthday.

A body of parents have formed a group called Action for Fours, which is led by Catherine Hurley and Kate Polack—two young mothers in my constituency who feel that they should not be forced to send their children to school. I wrote to my hon. Friend the Minister about this issue and she rightly said that parents should choose whether their child should start school before the statutory age. However, there is a problem for schools: if a child is

not in full-time education when the census is conducted in February, but a place has been kept vacant, they do not receive funding for that child. An over-subscribed school will not want to keep places vacant for children who may arrive halfway through the year. I hope that the Government will be able to address that dilemma.

I am particularly pleased that the recently published policy guidance on school admissions says:

"Some admissions authorities for primary schools offer places in reception classes to parents before their children are of compulsory school age, in accordance with their published admission arrangements. If a parent is offered and accepts a place during the normal admission round but asks to defer their child's entry to school until he or she is of compulsory school age, the admission authority may agree to the parent's request provided the place is taken up within the same academic year."

That is a most welcome statement, and I hope that the Government will find ways to compensate schools if a child is admitted, but not in place in February when the census is conducted.

Cambridgeshire has been fortunate in benefiting from the money from the reduction in infant class sizes, and the £1.7 million allocated to it this year will provide 69 additional teachers and 11 extra classrooms. Primary schools in Cambridgeshire are among the lowest funded in the country, so that money is particularly welcome. It will virtually eliminate classes of more than 30 for five, six and seven-year-olds in my constituency and throughout Cambridgeshire.

Mr. Hayes: I hear what the hon. Lady says about five, six and seven-year-olds, but she must be aware that classes for older primary, secondary and nursery children have increased in size since the Labour party came to power. The Smart Start pre-school in Market Deeping in my constituency, which has been providing small class sizes for children in the area for 25 years, is facing closure as a result of Government policy, and people are very angry about that.

Mrs. Campbell: Cambridgeshire county council, which is Tory controlled, is one of the problems that my constituency faces. In 1995–96, when there was a Labour-Liberal administration in Cambridgeshire and a Conservative Government, the authority spent £15 million above the education standard spending assessment; last year, the authority spent £6 million above it; and, this year, it is spending £5 million above it. The leader of the Tory county council in Cambridgeshire said on BBC Radio Cambridgeshire this morning that he would like, over the years, to see the council reducing the gap between what it spends on education and what the SSA says it should spend. The implication for my constituency is £4.8 million-worth of cuts. Schools in my constituency will be devastated by that, because it means that, as the Government increase expenditure on education, Cambridgeshire county council is determined to reduce its contribution, and schools will see no benefit from the extra money that the Government are putting into education.

I refer briefly to the national child care information systems, which my hon. Friend the Minister is pioneering. I am pleased that she is basing that work on some of the work that has been done in my constituency. The scheme that I started, called "Opportunity Links", to provide education for parents who wish to return to work has been an outstanding success in Cambridgeshire. It is an internet-based information system, which provides information not only on child care, but on jobs, training and benefits advice. I am pleased to say that there are some 1,300 accesses to that website every week. It is proving to be extremely popular and a useful tool for parents who wish to get back into the workplace.

However, there is still a problem, as perceived by Cambridgeshire county council, about the data protection issues connected with making child minder information available on the internet. The local authority quotes the Children Act guidance, which states:

"whilst local authorities have a duty to provide information on childcare provision, the register should not be left on 'open shelves' . . . This implies that the public need to request access to it through contact with a local authority officer. This guidance was an attempt to prevent people from having access to the register who were not genuinely seeking childcare."

We all recognise the difficulties with paedophile rings and the sensitivity of some child care information. We have got around that problem very well in Cambridgeshire by writing to every child minder and getting a signed agreement from everyone who wishes to have her information published on the internet. I believe that that is the way to proceed. I do not know whether other counties have come across the same problem or interpreted the legislation in the same way, but the issue needs to be addressed.

I welcome wholeheartedly the Government's efforts to improve early years education, which is vital in terms both of raising educational standards and of the health and livelihood of future generations.

12.3 pm

Sir Nicholas Lyell (North-East Bedfordshire): I am grateful for the opportunity to make a short contribution to this debate. Like other hon. Members, I shall start by congratulating my hon. Friend the Member for Meriden (Mrs. Spelman) on initiating the debate and on her comprehensive and thoughtful speech.

I want to lay my emphasis on the earlier years and take this opportunity to express my strong support for the Pre-School Learning Alliance and the many pre-school groups in my constituency. Pre-school playgroups play a vital role in the education of young children and are of benefit, as I was glad to hear the hon. Member for Redditch (Jacqui Smith) acknowledge, not only to children but to parents, in assisting them to teach and encourage learning through play, both in the playschool and at home.

Not long ago, as many as 8,000 children in Bedfordshire attended pre-school playgroups, but it must be recognised that playgroups are under pressure, numbers are dropping and playgroups are closing, because of the combination of factors with which they are challenged. Both sides of the House, particularly the Government, need to rally to help them.

The pressures come from a combination of changes in the funding system, and increased costs and regulation through the working time directive and the minimum wage, and the consequential national insurance requirements. Because schools can now receive funding for four-year-olds—one quite understands that schools wish to maximise their revenue—they are putting pressure on parents to send children in order, it is said, to secure a

[Sir Nicholas Lyell]

place at five. I have had too much anecdotal feedback from visiting pre-school groups in my constituency to be in any doubt about that. The effect is not only to put pre-school groups under financial pressure, but to cream off the four-year-olds, who are an important part of three-to-five provision because they provide, in a sense, role models for the younger children in the integrated type of education that pre-school groups provide so effectively. Numbers are therefore falling just at the time when costs and pressures are rising.

The Pre-School Learning Alliance is responding by boldly facing up to the challenge. It does not want to get itself into a political wedge; it wants to rally and increase its numbers. I believe that it will. A great many children throughout the country still do not attend pre-school playgroups and do not get those benefits. We need to reach out to them. In doing so, it will be possible to rebuild pre-school numbers and thus help to solve the problem, provided that we get assistance from local education authorities and the Government recognise that problem.

The point to emphasise about pre-school playgroups is the sheer standard and professionalism of what they provide. I have been interested in this subject since before I entered the House more than 20 years ago. My wife was a professionally trained teacher who taught in Lambeth and Camberwell, and when we had small children she ran a playgroup at our home. I saw the value then, and have seen it ever since. I have attended annual conferences of the Pre-school Playgroups Association in Bedfordshire.

Recently, I visited two pre-school groups in Dunton and Stotfold in north-east Bedfordshire, and I shall visit Potton this Friday. I should emphasise that those pre-schools are inspected by the Office for Standards in Education and have received excellent reports. Their teaching through play is admirably adapted for children between rising three and rising five, and their staff-pupil ratio is only 1:6, which is much better than the average of 1:10, which lower schools and nursery schools can hope to achieve.

In addition to achieving this very low staff-pupil ratio, those pre-schools are attracting mothers and other helpers, who learn and carry the knowledge back home. They are extremely well equipped. I was deeply impressed at the variety of books that they had. Last week was National Book Week and I opened a new book corner in the Poppies playgroup in Stotfold. The pre-schools are equipped not only with books, but with simple computers, which introduce children to computers at such a young age that they come naturally to those essential parts of modern life.

Therefore, let the message go out: pre-school learning has a vital part to play in the education of our children. Both the Government and local education authorities should work closely with the independent pre-school groups. Charitable, voluntary and private provision work together to provide a degree of provision, which no amount of aspiration is likely rapidly to achieve through the state sector, and it is available here and now. They are a vital resource and a wonderful example of how local charitable and private sector initiatives can meet local needs, raise standards and enhance the future for our children.

I wish to use the last few seconds available to me to make a suggestion through you, Mr. Deputy Speaker, to the House authorities. Having been able to take part in this debate and knowing that the winding-up speeches are about to begin, I believe that we should seriously consider having a time limit in well-attended debates of this nature.

12.10 pm

Mrs. Theresa May (Maidenhead): I join other hon. Members in congratulating my hon. Friend the Member for Meriden (Mrs. Spelman) on having secured this debate. I commend her on the excellence of her speech in opening the debate on this important topic. It is notable that this is the third debate that we have had in the House in the past two years on pre-school or early years education. It is also notable that all three have been Adjournment debates initiated by Conservative Members. My hon. Friend the Member for Aylesbury (Mr. Lidington) initiated a debate on pre-schools in June 1997 and my hon. Friend the Member for West Worcestershire (Sir M. Spicer) initiated a debate on nursery education in May 1998.

My right hon. and learned Friend the Member for North-East Bedfordshire (Sir N. Lyell) made the point that this has been a well-attended debate, although I am interested to note the gender imbalance on the Labour Benches, which suggests a slightly outdated approach to this issue. Some hon. Members hoped that they would be able to contribute to the debate and to raise their concerns. I sincerely hope that the Government will now consider giving Government time to a debate on this important topic to enable all hon. Members to express their concerns about what is happening in pre-schools, and to contribute to the real debate about what should be the intention of pre-school and early years education and what is right for children.

Children's needs must be paramount in our consideration of this issue. What matters is that we provide high-quality early years education for children, and that it is appropriate for those children. We must recognise that pre-school and nursery education are distinctly different from compulsory education at statutory age. We require appropriate provision for children at different ages.

The danger is that young children are increasingly being taken into the primary school framework. Children are being given too formal an education at too early an age. That issue was dealt with in an article in *The Times Educational Supplement* on 9 April. It referred to nursery children being victims of a "too much, too young" culture and that four-year-olds were at risk of burn-out because of the stresses of formal education. My hon. Friend the Member for Meriden made the valid point that boys were particularly likely to be turned off school by this too early formal education.

Mr. Ian Bruce: It is important for the Government to understand that we are not suggesting that we solved this problem when we were in government. We had the problem when vouchers and the passporting of funding were introduced. Does my hon. Friend think that the Minister should carefully study counties such as Dorset, where children who are four in August are taken on for

the next year, with full funding? If they are not four, they do not get funding for pre-school in the next term and have to wait until after the new year.

Mrs. May: My hon. Friend has expressed a valid concern about the point at which funding cuts in and about four-year-olds who are taken into primary schools. Primary schools are increasingly encouraging four-year-olds to go to their schools by bringing pressures to bear on parents. Labour Members may deny it, but that is happening in the real world.

We should recognise that the provision must be appropriate, that children develop differently and that they have different needs. That is why we want a diversity of provision, so that parents can have a real choice. As a direct result of Government policy, we are faced with two dangers. First, children are being taken into the school framework of formal education at too early an age. Secondly, parental choice is being reduced.

Problems occurred with the nursery voucher scheme, but, far from changing it, the Government abolished it and introduced a grant scheme and early years education partnerships, compounding the problems that had begun to occur. Government figures for January 1998 show that, of four-year-olds in local authority or private and voluntary sector provision, 60 per cent. were in infant classes in maintained primary schools. That is not even 60 per cent. in reception classes: it is 60 per cent. of four-year-olds in reception and other infant classes in maintained primary schools.

Those figures also show that diversity and choice are being reduced. In January 1998, 86 per cent. of four-year-olds were in local authority provision, be it maintained nursery schools, nursery classes or infant classes, with the vast majority being in infant classes rather than in appropriate nursery provision. Only 14 per cent. were in private and voluntary sector pre-schools.

The Department for Education and Employment figures show that, by September 1998, the balance was worse. More than 89 per cent. of four-year-olds were in local authority provision, and less than 10 per cent. were in private and voluntary sector provision. The reality is that pre-schools are closing. In the past two years, 1,500 pre-schools have closed, and there is a danger of a further 1,700 pre-schools closing this year.

I join my right hon. and learned Friend the Member for North-East Bedfordshire in recognising the contribution made by pre-schools that are members of the Pre-School Learning Alliance. In its booklet about the importance of pre-schools, "No Chance to Play: No Chance to Learn", the alliance describes children in pre-schools as having

"the chance to play and learn with other children, to discover new experiences and to have the opportunity of a good educational start in life."

It says:

"Pre schools provide a warm and caring environment and vital learning opportunities for young children. Parents benefit too".

That aspect has been touched on by hon. Members, but not in any detail, and I want to refer to the advantages for parents.

A study undertaken by the National Institute of Adult Continuing Education shows that parental involvement in pre-schools leads to more assured parenting, increased confidence and widened horizons in terms of further education and training. It also encourages learning at home through reading and imaginative play. It has an important impact in enabling many parents, predominantly women, who may not otherwise have done so, to go on to further education.

The Pre-School Learning Alliance provides for 40,000 adults—predominantly women and 93 per cent. of them over the age of 25—to enrol each year on courses developed by the alliance. There are progression routes to other qualifications, such as national vocational qualifications in early years care and education.

Pre-schools offer a gateway for parents who may otherwise not consider returning to study. In the sample of parents studied by the National Institute of Adult Continuing Education, almost half the participants had left school at the age of 16. Their involvement in a pre-school was giving them real opportunities for education that they otherwise would not have had.

Those opportunities are beginning to be denied to parents because the Government's policy is leading to the closure of pre-schools. Children at the age of four are being encouraged to go into reception classes in primary schools. The impact of employment legislation, particularly the loss of income for pre-schools caused by the loss of numbers, is exacerbated in a variety of ways by the increased costs of the minimum wage and the working time directive, as my hon. Friend the Member for North Essex (Mr. Jenkin) said.

Pre-schools are faced with the decision either to put up charges or to close. What is the Government's answer? The answer from the Minister is that there should be differential charging on the basis of income. A means-tested nursery tax is the Government's answer. They force pre-schools to close, and when they are desperately trying not to close by putting up charges the Government's answer is the equivalent of a means-tested nursery tax. That proves that the Government do not understand what is happening in the real world.

I hope that the Minister will tell us where the money that the Government have promised for pre-school education is going. In the last Education and Employment Question Time, the Minister announced investment of

"£8 billion in early education and child care",

which has subsequently been identified, and

"£8 billion in providing high-quality and affordable pre-school education".—[*Official Report*, 18 March 1999; Vol. 327, c. 1257.]

That is £16 billion. That is what the record shows: that is in *Hansard*. I hope that the Minister will tell us where the money is going, because it certainly is not reaching pre-schools.

Pre-schools matter. They provide an important learning environment for children through play, and they provide important benefits for parents. Government policy is closing them down, and Government should stop it.

12.20 pm

The Parliamentary Under-Secretary of State for Education and Employment (Ms Margaret Hodge): I congratulate the hon. Member for Meriden (Mrs. Spelman) on securing the debate. Nothing is more important to ensuring that young children can develop their full potential than the early years of their lives, and their first experiences in education. I agree with all who

[Ms Margaret Hodge]

have spoken that we do not have enough time to debate this vital issue in the House, but I welcome the opportunity provided by the hon. Lady.

I am particularly delighted by another opportunity—the opportunity to remember the hon. Lady's predecessor, the late Iain Mills. He stoutly defended his constituents' interests in the House by publicly opposing, in their dying days, the Conservative Government's policies on early education, although he himself was a Conservative Member of Parliament. Solihull, through the disastrous voucher scheme, lost more money than any other local education authority, and was punished for being more successful. Iain Mills could not stomach that: he supported his authority, opposed the Tory Government and denounced the ill-conceived and damaging voucher scheme.

It was the voucher scheme that dealt the most severe blow to the private and voluntary sectors as schools competed for four-year-olds. Having been conceived with the intention of stimulating growth in those sectors, it harmed them and forced closures. Any latter-day sanctimonious defence by Opposition Members of the role of the private and voluntary sectors in early years education should be judged against their record in government. Through ideological stubbornness, they forced the closure of many early education places provided by those sectors.

Mr. Brady *rose—*

Mr. Ian Bruce *rose—*

Ms Hodge: I will not give way. I have only a few minutes left, and I want to deal with the issues that have been raised.

When this Government took office, we replaced competition with a planned partnership approach that now covers both early education and child care. As my hon. Friend the Member for Redditch (Jacqui Smith) said, we need to plan our services for young children.

I am happy to defend our record in government. In our manifesto, we promised that every four-year-old whose parents wanted a free part-time early education place would be entitled to one, and we fulfilled our commitment. The hon. Member for Maidenhead (Mrs. May) is wrong about that. We also said—the hon. Member for Bath (Mr. Foster) was slightly wrong about this—that we would set a target for three-year-olds. We have done that: we are committed to doubling the number of free places for three-year-olds to 66 per cent. by 2002, and we will achieve that target. We are bringing together early education and child care to provide a seamless and coherent service for families, built around children's needs.

Sir Nicholas Lyell: Will the Minister give way?

Ms Hodge: No. I will complete my speech.

Let me say this to the hon. Member for Meriden. Of course the interests of the child are central to our concerns; it is because we are putting those interests at the centre of our policy that we are building a proper infrastructure for both early education and child care. Even pre-schools in church halls, which the hon. Lady mentioned, should not be there to support church finances. They should be there to support young children.

Sir Nicholas Lyell *rose—*

Ms Hodge: May I deal with the issue raised by the right hon. and learned Gentleman?

We value the contribution of pre-schools, particularly because of the unique quality that they bring to the early education sector: parental involvement, with all that it means to the development of young children. I agree with the hon. Member for Maidenhead about that. We know that pre-schools are concerned about closures; we know that they blame closures for the loss of four-year-olds to maintained nurseries; we know that they are worried about the minimum wage. We do not agree with them about the figures relating to closures, but my officials are holding discussions with the Pre-School Learning Alliance to see how we can reconcile our two views. We are taking steps to ensure that both sectors can contribute to the expansion of early years education and child care.

We instruct partnerships to ensure that their plans provide for help for the voluntary and private sectors. Last year, we gave £500,000 to ensure that pre-schools were able to sustain their provision, and we are giving a further £500,000 this year. We have introduced the working families tax credit, which will help individuals with the cost of school care and enable schools to raise their fees. I think it is inappropriate for anyone working with children to be paid less than the minimum wage: our children are too precious. We shall be conducting a review, which will show not what is closing pre-schools, but how the Pre-School Learning Alliance can contribute to the expansion of early years education.

Mr. Ian Bruce: Will the Minister give way?

Ms Hodge: No.

Let me deal with some of the issues relating to quality. I agree with my hon. Friend the Member for Cambridge (Mrs. Campbell) that some four-year-olds are going to school too early. In my view, it does not matter where children are; what is important is the experience that they undergo, the qualifications of those who work with them and the adult-child ratios involved. That is why we are addressing all the issues of quality that have been raised today.

We are looking at the curriculum, and we have presented proposals for the reform of desirable learning outcomes. I am glad that the hon. Member for Bath welcomed the foundation stage. Our emphasis is on pre-learning schools, and on the importance of children learning to speak, to listen, to concentrate and to work in a group; but we must also recognise that, in the foundation stage, there is a difference between a three-year-old and a rising six. The curriculum must reflect children's development.

As the hon. Member for Meriden said, people are crucial. That is why we have established a national training organisation. It is why we are creating a qualification framework, and putting a large amount of money into training. We are also enhancing the status and importance of early years work, not least through the introduction of the minimum wage and early years

education degrees. We are reviewing regulation and inspection, as well as the child protection and data protection issues raised today. We are supporting parents in raising quality, through the sure start programme, excellence centres and other initiatives mentioned in the debate. Quality is essential to early years education. I am glad that hon. Members on both sides of the House accepted that today, and I assure them that we are acting accordingly.

I am delighted that we have had this short, but important, debate on crucial issues. I am grateful to those who have taken part, and, in particular, to the hon. Member for Meriden. We have a good story to tell. This Government recognise the importance of early years education. They have firmly put their money where their mouth is, providing a massive expansion of resources: as the hon. Member for Maidenhead said, we are investing £8 billion over the next four years.

The Government have already fulfilled their pledge to provide a free nursery place for every four-year-old whose parents want one. They have embarked on an ambitious increase in the number of places for three-year-olds. They have not merely talked about a national child care strategy; they are creating one. Over the first 20 months of the Government's life, they have created more new child care places than the last Government managed to create during their long 18 years in office.

Investing in the early years of a child's life makes sense. It makes sense for the child, ensuring that we give all children the opportunity to develop their full potential. It makes sense for society, helping us to build an inclusive society by promoting success and preventing alienation and failure. It makes sense for the taxpayer, in that for every pound that we invest in a child's early years we shall save many pounds later on everything from support for a child with special educational needs to the payment of income support.

We will pursue our policies on early years education. They are right, important and necessary. We shall be happy to be judged on our record, and our achievements, in this crucial area of public policy.

Road Deaths (Charging Policy)

12.30 pm

Mrs. Rosemary McKenna (Cumbernauld and Kilsyth): I am very glad to have been able to secure this debate on the role of Scotland's legal system in implementing charging policy in road deaths involving vehicles. This may very well be the final opportunity to debate a matter that, after 1 July, will be devolved to the Scottish Parliament, and it is appropriate that the debate should be on such an important issue. Although the Road Traffic Act 1991 is a United Kingdom responsibility, prosecution of the law in Scotland, under the separate Scottish legal system, is a devolved matter.

Many of my colleagues have sent messages of support for the debate, although—for a variety of reasons, which hon. Members will appreciate—they have not able to attend it. Nevertheless, I am pleased that so many hon. Members are able to be here.

On 18 September 1998, Steven Dekker, my constituent and near neighbour, celebrated his 24th birthday with his family and his girl friend of six years, Gail. On Saturday, 19 September, Gail and Steven spent the day in Glasgow, shopping, enjoying being together and planning their future together.

As they drove home to Cumbernauld, at 6 pm, on a bright, clear evening, a van being driven the wrong way on a single carriageway hit them head on, killing Steven and injuring Gail. The collision occurred as Steven came round a bend, on a one-way single carriageway, with no chance of his taking any avoiding action.

I am pleased that Steven's parents, his sister Vivien, Gail and other members of the family are here for today's debate. I should like to express their and my appreciation to the Minister for sparing time to meet them earlier today.

In the past two years, the issue has been debated in the House on several occasions, and in two notable Adjournment debates. One of those was initiated by the Economic Secretary to the Treasury, my hon. Friend the Member for Leicester, West (Ms Hewitt), and the other by my hon. Friend the Member for Enfield, Southgate (Mr. Twigg).

As parliamentarians, we are faced with a significant problem that we have the power to deal with. The House, after investigation and debate, passed a law—the 1991 Act—that established the offence of causing death by dangerous driving. The charge is simple and clear, and it should be a powerful weapon in deterring very bad driving. However, Steven Dekker's death has taught me—and, so far, more than 2,000 constituents who have signed a petition—that the Crown Office is failing properly to charge the very people for whom the charge was designed.

The Crown Office decided to prosecute Andrew Wilson, the man who killed Steven Dekker, not with death by dangerous driving, but with the lesser charge of careless driving. The proceedings in court lasted 15 minutes.

In June 1997, Steven Dekker graduated with a BA (Hons.) degree from Stirling university. He was ambitious. He had been employed for a year with British Airports Authority as a graduate trainee manager. He was one of eight people selected, from 1,300 applicants, for

[Mrs. Rosemary McKenna]

the position. He was a people person, and was liked well by all who knew him. He loved all sport. He played golf, football and ran in half-marathons. In short, he loved life.

Andrew Wilson was returning home from a planned trip. He ignored the safety of his own children from the very moment that he left his home, transporting a six-year-old child in the front of his van, and nine and six-year-old children in the rear of his van, none of whom were seated or restrained by seat belts. In the rear of the van were also motor-cross bikes, unrestrained.

Andrew Wilson ignored eight directional road signs, to turn across chevron markings and road arrows and travel the wrong way down a main road. In court, his defence agent made it clear that he did not make a spur of the moment decision. He stopped his van, which he drove for a living, and consulted with his fellow passenger, who was a lorry driver by trade. Then, after a few moments, he made a U-turn, across solid-line chevron markings and against road arrows, to travel the wrong way on the main road into Cumbernauld. My constituents, and those who have seen the evidence and photographs, are incredulous. The question is: Where on earth did he think he was going?

In court, the procurator fiscal revealed that Andrew Wilson was found by police at the scene,

"wandering around in a dazed state saying it was my fault I was going the wrong way".

In court, his defence agent said that Andrew Wilson was lost. Had the Crown Office levelled a charge of causing death by dangerous driving, all the facts and arguments would have been heard.

The facts are that, on the day that Steven was killed, the main road to Cumbernauld was closed, and that anyone who travelled on the A80 would have known that. That morning, Andrew Wilson travelled along the A80. What he did not know was that the main road into Cumbernauld could be accessed by another slip road. Perhaps that lack of knowledge explained his bizarre manoeuvre. However, since the Crown Office charged Andrew Wilson with merely careless driving, to which he pleaded guilty, those facts and that argument could not be aired in court. Therefore, there is absolutely no way of knowing.

Mr. Tom Clarke (Coatbridge and Chryston): I am very grateful to my hon. Friend, and congratulate her on obtaining this debate—which, given the demands on parliamentary time, is not an easy thing to do. As she will know, some of my constituents—particularly Mr. and Mrs. Dekker, whose nephew Steven was, and who both live in my constituency, in Chryston—want very much to support the tremendous work that she has done. One of the points that should be made is that the accident, and other accidents, occurred despite substantial investment in road works in the area. That should have made things easier, rather than more difficult and leading to this terrible loss.

Mrs. McKenna: My right hon. Friend is absolutely right: there is absolutely no problem of road investment in the area. One of the reasons why people find it so difficult to understand the issue is that the roads are good, safe and secure. People should be able to drive on them safely, and to feel safe as they drive about their town.

All the facts point to the Crown Office not being prepared to prosecute on the basis of the law. Evidence shows that, since 1991, of charges brought by police of death by dangerous driving, only 47 per cent. of people so charged will be proceeded against, and that the remaining 53 per cent. of charges are downgraded or plea-bargained to the lesser charge of dangerous driving, which ignores the fact that a death has occurred.

Mr. Andrew Miller (Ellesmere Port and Neston): As my hon. Friend knows, I chair the all-party group for justice for road traffic victims and their families. The research shows that the figures that she quoted can be extended right across the British Isles. I do not know—I should be grateful if she can tell me—whether, in Scotland, police conduct their investigations of road deaths with the same emphasis that they investigate any other violent death. The statistics that I have seen suggest that police do not treat that type of violent death as the scene of a crime, as they do in investigating any other violent death.

Mrs. McKenna: My hon. Friend is right. Moreover, because the Crown Prosecution Service is not prosecuting cases as dangerous driving, police are tending to reduce the number of charges of death by dangerous driving. Therefore—although the 1991 Act was an attempt to ensure that people are protected properly, and that death by dangerous driving is recognised as a criminal act—there has been a downwards, rather than an upwards spiral in dealing with the matter. My hon. Friend is absolutely right to say that it is a serious problem that has been highlighted today and in previous debates.

Mr. Alan Clark (Kensington and Chelsea): I apologise to the hon. Lady for arriving a couple of minutes late for her important debate. Regarding the point raised by the hon. Member for Ellesmere Port and Neston (Mr. Miller) and others, as I have said before in the House, part of the problem with such horrendous tragedies relates to the language with which they are described. All too often, the police and the press describe such deaths as having occurred in a road accident. The implication of the word "accident" is that it is the result of ill fortune and cannot be avoided. It downplays the culpable criminal element that all too often is involved in such incidents.

Mrs. McKenna: I am grateful to the right hon. Gentleman for that excellent point. The family has lost a son, a nephew and a brother, yet the language of the law does not recognise that. That adds to their despair and they feel that their grief has been intensified by the way in which the case has been treated by the law.

Another difficulty is that many of the decisions are taken out of court. Decisions are made by the prosecution service to plea bargain or reduce the charge which should be properly applied. The family is not involved and they feel excluded. They feel that there is no transparency in the decision-making process and that is a serious concern.

Ms Margaret Moran (Luton, South): Will my hon. Friend give way?

Mr. Deputy Speaker (Mr. Michael J. Martin): Order. The purpose of the Adjournment debate is to allow the hon. Member to put her case to the Minister and for the Minister to reply. The hon. Lady has taken several interventions and should leave it at that.

Mrs. McKenna: The fact that so many hon. Members are here and wish to intervene shows how important they consider the issue. The Minister must understand that and realise that it will be raised regularly.

Following the North report, the Road Traffic Act 1991 replaced an earlier offence of reckless driving with the new offence of dangerous driving. The new offence is based more on the standard of driving—for example, on the driving being far below the standard of a reasonable and competent driver—and less on the driver's state of mind. It was designed to make the offence easier to prove in court. The intention was to enable more prosecutions to be pursued for the more serious dangerous driving offence.

The report decided that a new offence of causing death by careless driving should not be introduced as "a crime based on consequences" might be justified where the level of culpability was high, but not in the case of carelessness. The committee's definition of carelessness was as follows:

"Carelessness might amount to no more than a minor error of judgment or a moment's inattention."

We must focus on the distinction between a minor error of judgment or a moment's inattention and a higher level of culpability.

The North report stated:

"Death should be singled out for special treatment because it is the most serious consequence of a criminal act, and in doing so would exemplify the concern of the law for the sanctity of life."

In Steven's case, the police prepared the charge of death by dangerous driving, or alternatively careless driving—as is the procedure. The charge of death by dangerous driving is not brought lightly by the police, who spent resources of time and money to substantiate the charge.

The Crown Office, which acts in the public interest, looked at the culpability of Andrew Wilson and prosecuted him with one charge of careless driving. In their words, the

"investigation revealed the required degree of very bad driving to be absent".

We find that incredible.

In court, the sheriff checked with the fiscal that a charge did not take Steven's death into account. The fiscal confirmed that that was true. The sheriff stated that his "hands were tied", fined the defendant £750 and banned him from driving for one year.

Steven's family feel that the concern of the law for the sanctity of life has been ignored in the charge of careless driving. International human rights law is based on the inherent dignity of the individual and the Crown Office appears to respect neither Steven's dignity nor that of his family.

At the 15-minute hearing no evidence was presented and no witnesses heard as the accused pleaded guilty to the reduced charge. There are many questions to be answered. The Dekker family is considering the possibility of a fatal accident inquiry to ventilate in public the facts, to establish how Steven died and possibly to launch a civil action for damages in order to get legal recognition that Andrew Wilson killed Steven Dekker.

I support the words of Mary Williams, executive director of Brake, an independent road safety organisation. She said:

"It is our carefully considered opinion that the charge of careless driving, which carries a maximum sentence of a very low fine, should be dropped, and drivers who break the law should be charged with dangerous driving, death by dangerous driving or manslaughter if their actions have killed. There can be no carelessness behind the wheel of a vehicle—spilling a bottle of milk is careless, failing to drive safely can only be considered dangerous. A wide sentencing structure would accommodate the wide variety of illegalities which could be encompassed under these charges."

The public sense of justice requires that the distinction between careless and dangerous—a higher level of culpability—should be determined in court, with all evidence presented and statements from witnesses heard. It is a gross injustice to innocent victims such as Steven that their life and death can be denied that recognition by the state. Like many other families, the Dekker family has found that the non-implementation of the law adds additional grief to families who are already bereft, and to society, an undermining of the expectation of justice.

Mr. and Mrs. Dekker lost a son, Vivien lost a brother and Gail lost her best friend and her future with Steven. I totally support the family and Gail in their attempt to bring the matter to the attention of Parliament and the wider public. Nothing can bring Steven back, but if the law can be changed as a result of his death and the deaths of others on the roads, some good may come of it.

12.47 pm

The Minister for Home Affairs and Devolution, Scottish Office (Mr. Henry McLeish): First may I record my appreciation to the House? The fact that this is a short debate in no way detracts from the serious concerns that have been raised by several hon. Members who would have wished to debate them for longer. I recognise that and acknowledge their deep concern.

The death of Steven Dekker last September was a tragedy. Any sudden death is tragic and none more so than the death of a young man as promising as Steven Dekker, who was a graduate trainee at the British Airports Authority. This morning, I had the benefit of meeting Steven's family. I understand something of the depth of feeling and my heart goes out to them for their loss. Since his death, many questions have been asked about road safety and the proper way to deal with road traffic cases that arise under criminal law. It is only right that such a tragedy should make us ask such questions and I pay tribute to the diligence of my hon. Friend the Member for Cumbernauld and Kilsyth (Mrs. McKenna) in raising the matter on behalf of her constituents.

Let me first turn to the role of the criminal law in dealing with road traffic accidents and make it quite clear that there is no lack of serious charges to bring, depending on the evidence in the case. However—and this is a point that the relatives of the victim may naturally and understandably find hard to accept—the fact that an accident has had fatal consequences does not necessarily mean that the other driver involved is guilty of dangerous driving. We all take a risk every time we drive and a simple misjudgment can have consequences as terrible as those of any deliberate crime.

[Mr. Henry McLeish]

The law has to cover a wide variety of circumstances. At the upper end of the spectrum there are, fortunately, very rare cases when the vehicle is used deliberately as a weapon. In such cases, it might be appropriate to bring charges under the common law, and if the victim was killed, the prosecution would not hesitate to consider indicting the person on a charge of murder or culpable homicide.

Next in gravity is the offence of causing death by dangerous driving, for which the maximum sentence under the road traffic legislation is 10 years. This offence cannot be dealt with under summary procedure.

Next again is the offence of dangerous driving, which has a maximum prison penalty of two years under solemn procedure, and of six months under summary procedure. Finally, there is the offence of careless and inconsiderate driving, which cannot give rise to a custodial sentence and which cannot be dealt with under solemn procedure.

In his role as head of the prosecution service, the Lord Advocate is independent of the Government of the day. The House will recognise that it is important that he should be so. It is for the prosecution to select the appropriate charge and the mode of trial, taking into account any statutory restrictions that may apply, what the evidence suggests about the relative culpability of the driver who will face the charges, and, of course, the need to prove any charge beyond reasonable doubt.

Ministers are not in a position to comment on what charges should be brought in any individual case. That is why I cannot comment on the charges brought in this case. The Crown Office has made it clear that the most careful consideration was given to what charges were justified on the available evidence and under the existing law.

There is a lot of publicity about the downgrading of charges. The charge brought was one of those made by the police soon after the event, but, as often happens, the police—who were not in full possession of the facts at the time—charged the accused with a number of alternative offences. However, it is for the procurator fiscal to select the appropriate charge after full investigation in the light of the evidence.

At the request of the family, the charge selected by the prosecutor was reviewed, but, in this case, was confirmed as being appropriate. The Crown Office has stated that the question of costs played no part in the decision about what charge was appropriate. As we have heard, the sheriff who heard all the evidence on the circumstances decided that the appropriate sentence was a fine of £750 and a ban from driving for one year. The sentence imposed is entirely a matter for the court, but clearly it reflects the culpability of the accused and not the terrible consequences of the accident.

There remains the question of a fatal accident inquiry. I understand that the procurator fiscal has received a letter from the solicitors acting for the Dekker family, confirming that the family wish such an inquiry to be held. That is a matter for the Lord Advocate to decide.

The Government rightly stand clear of such decisions and of decisions on prosecution. However, we need to consider whether such cases suggest any need for a change in the law. I should therefore like to say a little about what we are doing to keep the law under review.

This matter was last reviewed fully in the North report, published in 1988. Detailed consideration was given to the possibility of creating a new offence of causing death by careless driving. However, the report recognised that any road accident has the potential to have serious consequences, whether the accident occurred as a result of deliberate bad driving or of a lapse in concentration.

The North committee therefore took the view that, as a general rule, sentences for road traffic offences should be based on the standard of driving, rather than on the consequences of that driving. That issue has threaded its way through this afternoon's debate.

Where the death is due to carelessness and there is no question of drink or drugs, the committee did not consider that it was appropriate to have a "causing death" offence. That is the philosophy underlying the current formulation of the offences in the road traffic legislation, and it has been supported by successive Governments. There is a view—which I understand—that it would be desirable to have an offence of causing death by careless driving, even when there is no question of drugs or drink being involved. The Government are currently reviewing that possibility.

The Government are also undertaking comprehensive research into the way in which bad driving offences are dealt with by the criminal justice systems, both north and south of the border. This is the key issue being addressed by my hon. Friend the Member for Cumbernauld and Kilsyth. The research, undertaken on behalf of the Department of the Environment, Transport and the Regions, will examine the effect on convictions before and after the changes in the law made by the Road Traffic Act 1991. It is using current cases to examine the whole process, from charging to sentencing. The results of the research should be available by the end of next year.

Finally, I should mention the likely impact of the Scottish Parliament in this matter. Although the criminal law, with certain specific exceptions, will be mainly devolved to the new Scottish Parliament, road traffic law has largely been made on a Great Britain basis. I therefore expect that the new Scottish Ministers will be closely in touch with colleagues in Whitehall Departments in considering the way forward in an area of law in which it is so difficult yet so important to get the balance right.

I shall touch briefly on some of the other aspects of road safety that we are currently pursuing. The criminal law in this respect is vitally important, and that has been the focus of the concerns expressed by my hon. Friend the Member for Cumbernauld and Kilsyth, but it goes much wider in relation to road safety matters.

In 1997, 377 people were killed on Scottish roads. That is 377 people too many. Each of those deaths represents a tragedy for all concerned, especially for the family and friends of the person killed. To put that figure in perspective, I point out that it is higher than the total of 263 drug-related deaths in Scotland in that year.

Nothing can put matters right after a fatal accident. That is why our first and overriding aim has to be, as far as possible, to prevent such accidents occurring in the first place. The Government are therefore committed to reducing the number of road accident casualties in Scotland, and some considerable progress has been made.

In 1987, the target was to reduce casualties by a third by the year 2000, compared with the average for 1981–85. By 1997, the number of deaths in Scotland had

fallen by 41 per cent., and the number of serious injuries had fallen by 51 per cent., despite substantial growth in road traffic. In fact, Scotland's road fatality rate is about 40 per cent. below the European Union average.

Our record is therefore good by international standards, but it is not good enough and we intend to do better. We must continue to drive down the number of casualties and we have already announced that we shall publish later this year demanding new casualty reduction targets for the period up to 2010, together with a strategy for achieving them.

Obviously, the behaviour of drivers is a major factor in road accidents. For example, speed is thought to be a factor in about one third of all road accidents, but research has shown that it is the norm among many drivers to exceed the speed limit by up to 10 mph. We believe that it is necessary to change drivers' attitudes to speeding. The long-term aim must be to ensure that speeding is stigmatised, in the same way that drinking and driving is now considered to be socially unacceptable. There is no doubt in my mind that the culture has to change, and reasonably quickly.

Measures to reduce further the number of drink-related road casualties, on which we consulted last year, will be announced in the context of the forthcoming road safety strategy. That strategy will also take into account the findings of the Great Britain review of speed policy, which is currently under way.

A driver behaviour strategy has been developed to modify drivers' attitudes, with the ultimate aim of reducing casualties. Tackling the problem of speeding will be a major component of the strategy, and a publicity campaign called "Full Speed" was launched in November last year. Because it is a long-term initiative, it will be some time before its effectiveness can be assessed.

My hon. Friend the Under-Secretary of State for Scotland with responsibility for transport has also launched the first of 75 pilot 20 mph projects throughout Scotland. In residential areas used mainly by the people who live in them, the projects will test the effectiveness of schemes that do not include the use of relatively expensive engineering measures.

We are also making special efforts with driver training to cut accidents and casualties involving newly qualified drivers. Drivers in the 17 to 21 age group represent less than 10 per cent. of licence holders, but sadly are involved in about 20 per cent. of all road accidents in which injuries are sustained.

We are also taking various action on driving tests. In addition, we shall continue our hard-hitting television publicity campaigns to drive home the message that speed kills and that motorists should not drink and drive. Moreover, we are setting challenging targets for reduction in many areas of road activity.

I am grateful to my hon. Friend the Member for Cumbernauld and Kilsyth for raising these matters today. I assure her that the Government will keep this area of law under constant review. Above all, we need to take practical steps such as I have described to reduce the incidence of deaths on our roads. Everything that has been said today underlines our commitment to further improve safety.

Finally, I hope that the tragic death of Steven Dekker will lead us to renew once more our efforts to make Britain's roads safer and to minimise future loss of life on them.

House Building (Avon)

1 pm

Mr. Steve Webb (Northavon): I have been asking myself what the worst ministerial job in Government must be. Until recently, I assumed it was the job of junior transport Minister, someone who must spend his or her time, often in the early hours of the morning, responding to hon. Members who either want a ring road or bypass or desperately do not want one. However, it strikes me that even worse is probably the job of the Minister—who will shortly join us, I hope—who has to respond to housing debates. In a series of debates, hon. Members of all parties have recognised the need for additional house building, but said that none of it should happen in their constituencies.

Having said which, I make no apology for raising the subject of house building in the former county of Avon. It is probably one of the biggest issues impacting on the quality of life of the people represented by the hon. Member for Bristol, North–West (Dr. Naysmith), who is present for this debate, and by me. While the scope of the debate is the whole of Avon, I shall be parochial for a moment in outlining three development threats in Northavon that illustrate why I sought the debate.

First, it is possible that ICI land on Severnside, for which planning permission for industrial development dating back to the 1950s exists, might be turned over to residential development. That could double the size of the adjoining village, Pilning. Pilning and Easter Compton are distinct villages with distinct characters, but they could become one sprawling housing estate, and that would be highly unwelcome.

Secondly, there is a threat of further development north of Yate, which would add to already extensive house building, taking up scarce green-field sites. Finally, there is a new threat to the area north of Thornbury, where developers are believed to be eyeing up farmland even as we speak, not least because of the weakness of agriculture. Few farmers, given the opportunity to sell their land for mass house building and a substantial profit, would be able to resist when the alternative is the very meagre income that many of them earn.

I congratulate the Government on ending the numbers-driven predict and provide approach that has characterised housing development in recent years. Let me give an example of the absurdity of that strategy. Projecting populations over 20 years is difficult. Projecting regional populations is even more difficult. When it comes to sub-regions such as the former county of Avon, it is frankly absurd, and it produces bizarre results.

The joint strategic planning and transportation committee of the former Avon authorities produced a document after receiving projections from the Office of Population, Census and Statistics, based in 1993, for the sort of people who would move into Avon. The OPCS said:

> "The projections for the Avon area say that out of the net migration into Avon, 0.4 per cent. would be female and 99.6 per cent. would be male."

I shall not remark on whether all the football teams in the area are a reason why all those men should flood in, but it is clear that those figures are absolutely absurd.

[Mr. Steve Webb]

The figures were produced by a process of iteration. Statisticians know that the total migration around the country must add up to zero, and they have certain views about what determines flows from one area to another. They try to tweak the numbers until all totals add up to zero and all prior assumptions are satisfied. That produces frankly barmy statistics.

If the problem were merely a statistical nicety, we could ignore it and move on. However, the gender balance of those who move into an area affects house building projections. It is assumed that men have a faster rate of forming households, or form more households, than women. Were we still driven by numbers, those figures could mean real houses in real fields in my constituency. I am pleased that the Government have dropped predict and provide.

South Gloucestershire has borne the brunt of additional house building in the Avon area in the past. Since the late 1980s, out of the four unitary authorities in the former county of Avon, South Gloucestershire has taken the largest share of new house building in every single year. It would be a travesty if the area that had rapid growth in the past was therefore deemed able to cope with rapid growth in future. The houses have come, but the infrastructure has not come with them. Huge development has come, first at Yate, then at Bradley Stoke, now at Emersons Green. Some time, a limit must come. The infrastructure must be given time to catch up.

On the face of it, one would assume that the disused Hortham hospital site would be a natural for housing development. It might be assumed to be just the sort of site on which people like me would want new houses to be built. However, the site illustrates our infrastructure problems. The 250 houses planned for the site, to which the local authority may give the go-ahead, will mean yet more congestion on the A38. It is already overcrowded, and local residents will tell anyone it is more like a car park than a road. Unless infrastructure is given time to catch up, areas such as south Gloucestershire will have great difficulty in coping with planned additional house building.

What can be done? Government action is already under way in three areas, but I would like to see more being done to reduce the pressure for new house building on green-field sites, particularly in south Gloucestershire. First, let me touch on the use of empty properties. The Bristol *Evening Post* recently highlighted the 5,500 empty properties in Bristol alone. A Friends of the Earth spokeswoman said:

"Empty homes are neighbours from hell—because they bring down an area."

That is true.

The Minister for London and Construction kindly ensured that I was provided with a written answer in time for this debate, which identified no fewer than 13,000 empty properties in the former Avon area. Compare that number with the 3,000 or 4,000 new houses that are built in Avon each year. If only one third of the empty properties could be returned to use, we might have a year without new house building. Matters are not that simple, of course, but that is the scale of the problem.

Reducing void rates and empty rates is feasible In Holland, the empty property rates are closer to 2.5 per cent. than to our 4 per cent. That 1.5 per cent. of difference would make a substantial impact in my area.

First, let me make a radical suggestion. I propose that house builders be told that they can build no new houses in the next 12 months, but must devote all their attention to setting about some of the 13,000 empty properties in Avon. They will be told that they can have permission to build in certain areas subsequently, but that, for 12 months, all their refurbishment and building skills must be put into doing up existing properties. If that proposal were on the table, it would concentrate minds wonderfully. I am sure that empty properties are a national problem, but the numbers in Avon are clearly substantial.

Secondly, can the Minister reassure me on the sequential development test, a Government measure that I welcome, but which I would like to have more teeth? As I understand it, go-aheads will not be given for development on green-field sites unless developers show that they have first considered alternative brown-field sites.

I am not sure precisely how that will work. My constituency has few brown-field sites. Does a developer who wants to build thousands of houses on the outskirts of, say, Thornbury merely have to say that he has exhausted brown-field sites in Northavon? Would the relevant area be south Gloucestershire, or the former county of Avon, or the south-west? What is the test, and how high is the hurdle?

Would developers be able to say that they had considered a site, but that it would cost too much to clean up? That would not be good enough. If sites can be developed appropriately for new housing, but with, perhaps, a smaller profit margin, I do not believe developers should be able to get away with not using them. I should be grateful for some assurance that real teeth are being put behind the test.

Thirdly, there is the tax anomaly. As the Minister knows, someone who wants to do up a rundown or empty property has to pay VAT at 17.5 per cent., whereas someone who wants to build a new house on a green-field site faces no similar tax burden. That cannot be right; it gives all the wrong incentives. Why not have a tax on green-field sites? I believe that one is under consideration, but my constituents say, "House building is going on now. How long will we have to wait for the tax incentives?"

The tax revenues from such sources should not be used as a milch cow for the Treasury, but should be recycled into urban development. We make a serious mistake if we view the issue as one of town against country. One of the merits of examining the problem on an Avon-wide basis is that the result can be a win-win situation. The proceeds from development in rural areas could be used partly for infrastructure to support those developments, but also for the rejuvenation—I believe that the word now being used is "renaissance"—of urban areas.

Although many people want to live in the country, in villages and in suburban areas, many people, especially students and other young people, want to live in towns, where the life is and where things are going on. They do not mind living in flats above shops in the city. If we could make life more palatable for such people, and revive the urban areas, we would do the whole community a favour and avoid setting the countryside against the town.

As for the way in which green-belt policy affects the south Gloucestershire area, it has been pointed out to me that the green belt that surrounds our area is very thin—more of a loop than a broad band. Although it prevents some of the immediate sprawl, it intensifies the pressure for development on the other side of it, because that area is within easy travel-to-work distance of the towns.

There tends to be substantial economic and residential development at the centre, a thin green band and then yet more houses on the other side of the green fields. The bizarre result is that mass car journeys are made across the green belt. I am not clear what the straightforward answer to that problem is, but green-belt policies in other areas have avoided that loop problem, which leads to the leaping of the green belt. I would be interested in the Minister's reflections on that subject.

Unless measures such as those that I have described, on which the Government are beginning to take action, are put in place, the issue will not be simply that tens of thousands of homes will be built in Avon over the next few years. What will happen after 2016, or after 2021? Will the numbers continue to rise inexorably, and, if so, will there be anything left of the green spaces that make south Gloucestershire such a special place?

This week, a resident of Thornbury wrote to me to register her objections to the plans to build hundreds of homes on the outskirts of the town, in the following terms:

"This sort of development would not only destroy the character of Thornbury, but would stretch local resources to breaking point. As you know, the schools are already full, parking is difficult and traffic congestion in the rush hour is atrocious. In the morning rush hour I can walk from Morton Way roundabout to the A38 faster than you can drive that distance in a car, and the exhaust pollution is horrendous. An increase of local housing on this scale would also have serious consequences for the already badly congested A38 towards Bristol."

My constituent identified the infrastructure problems that I have described. She continued:

"It is vital that the boundary of the town as set out in the various Plans is not altered and that such development is not allowed. I hope you will do everything in your power to ensure this."

As the Minister knows, my powers on such matters are rather limited—but I have had the opportunity and the privilege of raising the issue before him and before the House today. That is one thing that I can do.

I ask the Minister for two assurances. The first is that when decisions are made about where houses are to be built—we recognise that houses have to go somewhere—local people's views will be respected as far as is reasonably possible, and will not be overridden, as too often happens, by central Government. Secondly, will the hon. Gentleman assure me that he and his colleagues will build on—if that is the right expression—and accelerate the work that they have already done to reduce the growing pressures for house building? Even as we speak, developers are eyeing up the green fields of my constituency, and if we delay, it may be too late.

1.14 pm

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Mr. Nick Raynsford): I start by offering a most sincere apology to you, Mr. Deputy Speaker, to the hon. Member for Northavon (Mr. Webb) and to the whole House for not having been present for the start of the debate. Unfortunately, I thought that it was due to start at 1.30 rather than 1 o'clock. That was an error for which I accept full responsibility, and I would like to make clear to the House my regret that I was not here earlier.

I congratulate the hon. Member on securing the debate. It is on an important subject, which has been raised before by many other hon. Members. I spoke on the subject of house building requirements only two weeks ago, during a debate secured by the hon. Member for Tewkesbury (Mr. Robertson), the hon. Gentleman's relatively near parliamentary neighbour.

Household growth is a major issue facing society today. Some people may like to believe that it can be wished away, so that no new houses will need to be built, but that is not realistic. Society is continuing to change and evolve whether we like it or not, and new requirements for housing are part of that process. The Government have to accept that, and to respond appropriately.

As the hon. Gentleman was not present for that most recent debate on house building, it may be helpful if I start by explaining how the household projections are arrived at, and how they are translated into development plans.

Mr. Webb: The Minister is right to say that I was not present for the discussion about Gloucestershire, but I have read the *Hansard* report of it, so I do not want the Minister to duplicate what he said then.

Mr. Raynsford: I am grateful to the hon. Gentleman for telling me that, and I shall make a brief reference to the subject, rather than going into all the details.

The number of new households projected to form in England over the 25 years between 1996 and 2021 is about 3.8 million, compared to the 4.4 million projected for the 25-year period ending in 2016. The figure of 3.8 million is principally derived by projecting previous patterns of population change and household formation, and should not be seen as a forecast or estimate. It is based entirely on what might be expected to occur if previous trends continued, and is heavily dependent on the assumptions involved.

Such trends can and do change. The current suggestion is that the pace of household growth may be slowing down. Part of the underlying reason for that is that recent evidence has shown that cohabitation is increasing faster than expected, and a smaller proportion of women are widows or divorcees.

However, we must not think in terms of numbers alone. We are keen to focus the debate on how we should plan for future homes in a sustainable way. Our consultation paper, "Planning for the Communities of the Future", which we published last year, sets out the results of our analysis of the system for calculating and providing for the country's housing needs that we inherited from the previous Administration. It also explains our strategy for promoting more sustainable patterns of development and encouraging urban renewal.

We seek to ensure that where development is needed outside or adjacent to urban areas, it must be sustainable and must be combined with an active approach towards the protection of the countryside. Those proposals represent a comprehensive approach to meeting housing needs well into the new millennium. They differ from the previous system, which has been seen as essentially top down, inflexible and wedded too rigidly to the principle of predict and provide.

[Mr. Raynsford]

We have also changed our approach to establishing housing numbers by region. The new draft PPG11 on regional planning, which sets out our proposals for improving the preparation and content of regional planning guidance, represents an important step in modernising the system, and reflects our commitment to decentralised decision taking and integrated policy making designed to achieve sustainable solutions.

The new arrangements give greater responsibility to local authorities, through regional planning conferences, in preparing regional planning strategies. They should result in increased regional ownership of both the figures and the policies and in increased commitment to their delivery. Instead of Government, the regional planning authority will be responsible for preparing the draft regional strategy, including proposing the amount of additional housing needed in the planned period.

We recently announced household projections for each of the Government office regions. They should be treated not as forecasts or predictions, but as indications based on recent trends. Other factors should equally be taken into account so that regional planning bodies should, against the background of need and capacity, take a realistic, responsible approach to planning housing provision. We realise that similar information at sub-regional level, for example in the hon. Gentleman's region, could also be useful. The preparation of relevant figures will proceed so that we can make them available as soon as possible in a form consistent with that published as part of the last set of household projections in 1995.

One of the key tasks of the new regional planning guidance will be to provide guidance on the overall level of housing and its distribution within the region, making full use of previously developed land. In assessing the housing provision required for the 15 or 20 years covered by the strategy, we expect the regional planning body to work with other regional stakeholders to establish the level of housing required to meet the region's housing needs. In making that assessment, the Government's latest published household projections should be considered. Urban capacity studies should be undertaken to explore the implications of changing policies and standards that would reduce the land-take of new development while securing attractive residential environments.

Against that background of need and capacity, the regional planning body should be able to take a realistic and responsible approach to future housing provision. It must be prepared to justify its views fully in public at the examination of the draft regional planning guidance. The structure plan and unitary plan authorities will, of course, be party to that process. Once the housing requirements have been established and confirmed by the Secretary of State following the public examination, the presumption is that structure plans and unitary development plans should focus on the broad distribution and location of growth. It is the essence of the plan, monitor and manage approach that we now advocate that both the assessment of housing requirements and distribution within the region should be kept under review. If there are signs of under or over-provision, we expect both RPG and development plans to be reviewed accordingly.

On the position in the former county of Avon, RPG figures were agreed by the authorities in the region in 1994. They stated that 59,000 extra homes would be required in the county between 1991 and 2011, based on the 1989 household projections. After allowing for dwellings completed between 1991 and 1996, 44,100 additional dwellings remained to be provided between 1996 and 2011. The replacement structure plan proposes 43,000 new dwellings over that period. The plan was subject to public scrutiny at an examination in public last month under an independent panel. Officials from the Government office of the south-west attended, and emphasised that greater account should be taken of the need to focus new housing and other development on urban areas to achieve higher densities and maximise opportunities for reusing previously developed land and buildings. I know that those instincts are in line with those of the hon. Gentleman. The panel's report is being prepared, and I am sure that he therefore appreciates that I cannot comment further on the issues or speculate on the outcome.

The consultation draft of the south Gloucestershire local plan was published in 1997. My officials in the Government office of the south-west made several comments on it on behalf of the Secretary of State. Many of them raised questions about the plan's overall strategy and the extent to which sustainable development will be secured under it. Those concerns included the amount of development proposed on green-field sites and the relatively low density of new housing proposals. South Gloucestershire council is considering its response to those and other comments, as well as awaiting the outcome of the public examination of the structure plan before publishing the deposit version of the plan.

The way forward lies in building on the positive options for meeting housing requirements and protecting the countryside. There is more common ground than is often acknowledged. We all want as much land recycling as possible and more sustainable patterns of development. We all want to protect the countryside, regenerate our urban areas and ensure that people are properly housed. We are trying to develop that agenda as proactively as possible, and much more work needs to be done to help local authorities to achieve that.

The hon. Gentleman raised some specific issues that I wish to address. He is particularly concerned about the number of empty properties. He knows that the Government attach great importance to bringing such properties into use. I am pleased that Bristol city council has developed an empty homes strategy that has won awards and attaches considerable importance to action to bring empty properties back into use. We want that taken forward.

The hon. Gentleman mentioned sequential development and the importance of emphasising the opportunities for developing brown-field sites before green-field sites. He knows that our recently published revised PPG3 stressed the importance of a sequential approach. It is not always possible to apply a strict sequential test because there will be circumstances where the needs of rural communities require development that could be satisfied only by the use of a green-field site. In that situation, provision in a distant town would not help to meet the needs of a particular rural community. The sequential approach puts strong emphasis on developing brown-field sites and recycling urban sites before considering green-field alternatives. Where the two can be treated as alternatives,

that is very much part of the thinking of PPG3, which I believe will help to concentrate minds, as it should, on the recycling of urban brown-field land.

Mr. Webb: Will the Minister clarify whether that measure has teeth? How hard will a developer have to demonstrate that he has seriously considered brown-field sites, especially if there is only borderline commercial viability, such as with sites that are hard to clean up? Could the relevant authority insist on him using such a site or can he say that it would not be worth his while?

Mr. Raynsford: That is a pertinent question. The way in which the sequential test has been applied to commercial development, particularly out-of-town shopping, shows that there has been a significant change. There will always be a tail, because planning consents are often not taken up for some years. Having said that, it is clear that developers are now focusing on urban and town centre sites rather than out-of-town sites for commercial developments because of the greater teeth available to planning authorities, and to the Secretary of State on appeal, to enforce the sequential test.

We believe that a similar principle should apply in respect of housing. Authorities should consider closely the availability of opportunities for development on recycled, brown-field land before agreeing to permission for green-field development. Similarly, the Secretary of State will adopt that approach in considering cases that are subject to call in or appeal. Without raising unrealistic hopes about turning the oil tanker round in a shorter time scale than is possible, I hope that the hon. Gentleman and the House accept that we are moving in the right direct and that this sends strong signals to developers about the importance of concentrating attention in brown-field areas.

The hon. Gentleman mentioned VAT, which is a matter for my right hon. Friend the Chancellor of the Exchequer. The hon. Gentleman will know that discussions have been continuing on the importance of measures that will encourage the regeneration of urban sites rather than allowing green-field land to be developed.

We have a full programme of revisions to existing planning policy guidance notes to pursue the matters that I have described. I mentioned the new PPG3 on housing, which is another major step in our commitment to revitalising towns and cities and protecting our countryside from unnecessary development. We are encouraging authorities to make more effective use of existing housing in all sectors by bringing empty homes back into use and tackling under-occupation.

I think that I have covered the issues that the hon. Gentleman raised. I hope that he recognises the importance of the work that is being undertaken by the Government to ensure a better, more effective approach to these vital matters.

Council Tax Benefit

1.29 pm

Mr. Iain Coleman (Hammersmith and Fulham): The subject of this debate—which should have been titled on the Order Paper "Council tax benefit regulations" rather than "Council tax benefit regulation"—may appear rather dry and obscure to those unfamiliar with the issues, even by the standards of Back-Bench Adjournment debates. However, I am acutely conscious of the concerns and the financial problems caused to some of the poorest and most vulnerable of my constituents as a consequence of the introduction of these regulations. That is why I am pleased to have the opportunity today to highlight those matters and bring them to the Government's attention.

The nub of the problem lies in a Budget measure, originally proposed by the previous Conservative Government, which limits council tax benefit for properties in bands F, G and H to the maximum available for band E properties. In effect, the measure works as a cap on council tax benefit to householders living in properties that have been given a notional high market price. I acknowledge the significant concession made by the Labour Government in March 1998, in the announcement that, although the new regulations would be introduced from 1 April 1998, all existing council tax recipients were to be protected so that, in practice, there were no losers at the point of change as a consequence of the introduction of the new measures.

That was a source of very considerable relief to many of my poorest constituents, and the calculation made by the Department of Social Security at the time was that 65,000 people, who were then recipients of council tax benefit and would have been affected, were not affected at the point of change because of the Government's concession. In my judgment, that was a good example of our Labour Government listening to, and taking on board, the concerns of Members of Parliament and others who made representations to the Minister on our fears about the implications for those who were to be affected by the introduction of those measures. As a result of the concession, 2,159 council tax benefit recipients in Hammersmith and Fulham were, in effect, protected.

Council tax benefit is, of course, a means-tested benefit and is paid only if applicants meet a range of strict criteria. In practice, therefore, it is paid only to poor people living on low incomes with very few savings. The House will probably know the details of council tax band figures, but I remind hon. Members that the figures are as follows: to be in band F, a property must be valued at more than £120,000; to be in band G, a property must be valued at more than £160,000; and to be in band H, a property must be valued at more than £320,000. Hon. Members will, therefore, understand that, in reality, the new regulations will affect only poor people living in an area where property values are high.

In spring 1998, the local government information unit produced a report that showed that not a single property in Liverpool or the city of Birmingham would be affected by these measures, but I have already informed the House that, in one small London borough, more than 2,000 households were potentially affected by their introduction.

I am aware that the Government have recently commissioned an independent research agency—PS Martin Hamblin—to undertake a study of the effects of

[Mr. Iain Coleman]

the introduction of the changes. I must confess that I am somewhat disappointed that that research was not carried out sooner, but I strongly welcome the fact that the contract for the new study has now been awarded.

Today, I am able to advise my hon. Friend the Minister that in Hammersmith and Fulham, since the introduction of the new regulations on 1 April 1998, 140 households have had their benefit capped at band E. In band F, 95 households were affected and, as a consequence, face an annual bill of £183.78, or £3.75 a week. In band G, 44 households were affected and face an annual bill of £367.57, or £7.06 a week. In band H, only one household was affected and now faces an annual bill of £623.24, or £11.98 per week. Those may not seem to be large amounts of money to some hon. Members, but they represent a serious financial crisis to households already struggling to live on highly restricted means-tested benefit.

I will give the House a flavour of real-life case studies that are only too real in my constituency today as a consequence of the introduction of the regulations. There is the case of a single disabled pensioner aged 77, living in Fulham in a band G property, who receives an occupational pension of £42 a week, disability living allowance and state retirement pension. Her total weekly income is £134.00. Because her council tax benefit is capped at band E, she faces a shortfall of over £7 a week that she must find from somewhere.

There is the case of a pensioner couple who recently moved into a new housing association property in Fulham because their previous private sector rented flat had been condemned as unfit for habitation and had been demolished. The property is in band G and the couple face a bill of an extra £7 a week. They told me that they have never been in debt in their 50 years of married life. They have no idea how they will find the extra money and told me that, during the winter months, they kept the heating off in all but one room to make up the difference that they are obliged to pay. Their tiny life savings have been almost entirely whittled away. They were advised—correctly—by the local citizens advice bureau that there are no other benefits available to them to meet the difference. The reality is that if they had accepted an offer of a similar property in an outer London borough, away from their children, their grandchildren and their other local support mechanisms, they would not face that extra bill. They cannot understand why they should be penalised simply because they have lived in Fulham all their lives.

Mr. Andrew Dismore (Hendon): In my constituency, I have come across another anomaly in the case of two asylum seekers who shared a flat. One was entitled to 90 per cent. income support and that was passported to 50 per cent. council tax rebate; the other was receiving national assistance and, therefore, entitled neither to money nor council tax benefit. Under council tax rules, the asylum seeker on income support has now found that he is required to pay the share of council tax due from the person on national assistance. He now has a liability order for the deduction of £2.50 a week from his 90 per cent. income support. That amount is to pay for the tax due from the person on national assistance, who never had the money to pay the council tax in the first place. Is not that a further anomaly resulting from the regulations?

Mr. Coleman: My hon. Friend makes a good point. It is true that the introduction of the new measures has revealed a range of bizarre and peculiar anomalies, which I hope will be dealt with by the consultants in their review.

My local authority has a record that is second to none in London for developing new affordable housing in conjunction with housing association partners and other agencies and organisations. During the past six years, more than 1,000 new homes at affordable rents have been developed for local people who could never afford the astronomical cost of private property in Hammersmith and Fulham. I am looking forward to opening next month one such development of 35 new homes in Ackmar road near Parsons Green in my constituency. Earlier this week, I spoke to the chief executive of Shepherds Bush housing association, which was responsible for the development of that site. In that new development, 75 per cent. of the nomination rights will go to local authority nominations.

However, Parsons Green is one of the most expensive areas in which to purchase property in the borough—if not the whole of London. As a consequence, Shepherds Bush housing association's chief executive advises me that all 35 of the properties will almost certainly be placed in band H. Therefore, anyone eligible for council tax benefit, who moves into one of those properties, will immediately be faced with an extra weekly bill of £11.98. Even before anyone has moved into that new development, the housing association has received two refusals of offers because of the introduction of the regulations.

Local families whose members have dreamed of being given the opportunity to start a new life in a new home have had that dream dashed; they are frightened of the inevitable debt that they will face because their benefit has been capped at band E. I point out that that could not happen in Newcastle, Leeds or Cardiff. It could not happen in Barking or Hillingdon.

The London borough of Hammersmith and Fulham is currently involved in detailed negotiations with the country's largest urban property developer over the Imperial wharf site in Fulham, where it is hoped that the council will eventually, in partnership with housing associations, be able to develop well in excess of 500 new affordable homes for local people. That site is also located in an area of high property prices and we are again likely to face the same problems with refusals. In effect, therefore, the new council tax benefit regulations are paving the way for the development of areas in inner London, where the poorest and most vulnerable in our society will not be able to afford to live, despite the fact that major developments of affordable housing are being built—encouraged by the Government—in those areas.

On 11 March 1999, I received a written answer to a parliamentary question in which the Minister was kind enough to advise me that no information on savings as a consequence of the introduction of the regulations last year was yet available. However, I understand that the estimate of savings in the current financial year is £4 million, to the nearest million. I respectfully suggest that saving such a relatively small sum cannot be justified when measured against the misery that the regulations have already caused.

I continue to receive letters and telephone calls from constituents who cannot understand why they have, in their view, been singled out for unfair treatment because they live in an area where their family has lived for generations. It has been pointed out to me that no one in the general election campaign mentioned that such a measure would be introduced. I am unable adequately to explain to my constituents why the Government decided to protect existing recipients of council tax benefit, but introduce such a regressive measure for new applicants.

I have a case of one constituent who, as a council tax benefit recipient prior to the introduction of the new regulations on 1 April 1998, was protected, but who was desperate to return to work after being made redundant by a local engineering company after 30 years of loyal service. He was unable to find a job as a skilled worker, but took a job as a labourer in a local building company. After four months, he injured his back and had to give up that job. Now, he finds himself trapped by the regulations in a band G property with an additional bill of almost £400 per year. He points out that if he had not returned to work he would not be in that position. He believes that the regulations act as a disincentive to those who have been protected from the regulations and who are now worried about what will happen if they become unemployed again in future.

It has been suggested that housing association or local authority tenants caught in bands higher than E should, in effect, trade down to lower-banded properties. That suggestion reveals a complete lack of understanding of the way in which social landlords now work in inner London. Almost all housing associations and local authorities operate a strict one-offer policy. Even if it were possible—which it is not—for families to move from one geographical location to another, the implications in terms of disruption to their children's education and to family support mechanisms are horrendous.

In recent weeks, we have heard a lot of nonsense and whingeing from the Opposition Treasury team about the introduction of so-called new stealth taxes. In practice, in my judgment, these regulations represent the only real stealth tax and, regrettably, they punish some of the poorest of my constituents. I welcome the fact that the Labour Government have honoured their commitment, made last year, to commission independent research into the effects of the changes to council tax benefit. I urge the Government to ensure that the review is conducted swiftly.

I am convinced by the evidence that I have gathered locally that the review will demonstrate beyond doubt that the new regulations should be abolished and that we should return to the previous practice, whereby claimants are able to receive their full benefit, whatever band their property is allocated to. At the end of the day, the regulations are iniquitous and offensive. They are clearly contrary to the Government's overall social policy objective of social inclusion, and I look forward eagerly and with anticipation to their removal, as soon as possible.

1.43 pm

The Parliamentary Under-Secretary of State for Social Security (Angela Eagle): I thank my hon. Friend the Member for Hammersmith and Fulham (Mr. Coleman) for raising this subject. I welcome the opportunity to put the record straight on a very important issue and to bring the House up to date on the current position.

Our debate today is about a change to the council tax benefit regulations that resulted from a measure announced by the previous Administration. It involved restricting council tax benefit for claimants in the most expensive properties to that of band E from April 1998. As the previous Administration gave no indication that any claimants would be protected, I can conclude only that the change was intended to affect all council tax benefit claimants in bands F, G and H properties. Therefore, people in receipt of council tax benefit on 1 April 1998—an elderly widow or a jobseeker supporting a large family on benefits—found themselves faced with a drop in income if their home was in one of the higher council tax bands. I welcome my hon. Friend's acknowledgement of the beneficial effects of the transitional arrangements that were introduced alongside the change.

Whether to implement such a change was one of many hard choices that we had to face when we came to power. Council tax benefit costs were rising: the benefit currently costs £2.3 billion a year and there are 5.3 million recipients. There was an obvious inconsistency in the way in which assistance with housing costs was provided via the council tax benefit system, compared with other benefits such as mortgage interest relief, as there were restrictions on help with high rents through housing benefit and on help with mortgage interest payments through income support.

We need to get the issue in proportion, as I believe my hon. Friend has. We knew that the vast majority of council tax benefit recipients lived in lower-banded properties and would not be affected by the change, but we had been made aware by representatives of local government and other interested organisations of the likely effects of the change that would disadvantage several groups, including pensioners, large families and those living in relatively modest properties in London and the south-east, where property values are higher than those in the rest of the country.

The concerns expressed focused on the ability of people to meet any shortfall from their own resources and the ability of large families to stay together. Those were specific examples of a more general concern that the measure unfairly penalised those in London and south-east England, where property values are comparatively high and where higher-banded properties can be quite modest. We listened carefully to those concerns, and acted on them by introducing the transitional arrangements.

Before the changes took effect, we reassured all existing council tax benefit recipients by providing transitional protection so that not a single council tax benefit recipient lost out at the point of change. We also introduced a set of amending regulations that ensured that all existing claimants on 31 March 1998, who would have been affected by the change, were protected from day one. In fact, those regulations went further than simply protecting existing claimants. In cases where the main claimant leaves home, or dies, we have allowed the remaining partner to continue to receive council tax benefit without restriction, as long as he or she was also living in the home on 31 March 1998. We have also allowed transitional protection to continue if there is a break in a claim.

[Angela Eagle]

By introducing that protection, we have been able to help the most vulnerable groups. Elderly people are far less likely to experience changes in income and so tend to remain on council tax benefit throughout. They are also likely to be more settled than people of working age and therefore less likely to move home, so they will have been considerably helped by the change. The introduction of transitional protection also ensures that large families are able to remain in accommodation of a suitable size, and that those with a short break in their claim are not unfairly penalised.

We have been consistent with our overall plans for welfare reform in respect of those seeking and moving into work. Overall, the restrictions have provoked little complaint, although I recognise that my hon. Friend has a strong interest in the matter. He has given the House evidence of how the regulations have affected some of his constituents. I have noted all of his points and will pass them on as part of the review. We have, by bringing in these regulations, ensured that vulnerable groups such as the elderly are protected. The scheme has provoked little actual complaint, although I recognise that my hon. Friend has retained a strong interest in the matter.

At the time we introduced protection for existing council tax benefit recipients, we accepted that we should monitor the effects of the policy on those affected by the restrictions, for example, people claiming council tax benefit for the first time and those returning to benefit to whom transitional protection no longer applies. In a way, today's debate is part of that monitoring process. Our decision to conduct research was supported by the representative bodies of local government in Great Britain.

Following a competitive tender, which is one of the reasons why the process has taken so long, we commissioned PS Martin Hamblin to carry out a research project that will monitor the effects of the restriction by reference to the types of person affected, the effect on claimants payment of council tax and comparisons with the cases affected by transitional protection. Another reason for the delay has been finding people and cases to compare. Such studies cannot be set up quickly, but I assure my hon. Friend that we are getting on with the job.

In order to protect the integrity and independence of the research, I cannot say which authorities are involved in the study. However, I can tell the House that a carefully selected sample of authorities has been invited to take part in the research to ensure that we get a proper picture of what is happening. The research will cover the first year of the restriction, and we expect it to be completed by the end of the year. That should give us an idea of what is happening nationally. As usual, a report of the study will be published by the Department, and I assure my hon. Friend that we will examine its findings very carefully.

My hon. Friend the Member for Hendon (Mr. Dismore) raised a complex technical issue to do with the interaction of asylum seekers and council tax benefits. I think the best way of dealing with that issue is to ask my hon. Friend to write to me and I will get back to him about it.

Our record in this area—including the study and the transitional protection that we have introduced—is a good example of how this Government listen to local government, Members of Parliament and others and work in partnership with them. My hon. Friend the Member for Hammersmith and Fulham expressed specific concerns about the effect of the restriction on the choices that his constituents can make if they are given the chance of being rehoused in the new or higher-quality properties that the local authority offers to larger families. We must also consider the impact of the restriction on housing for homeless families in the borough.

I appreciate the force of my hon. Friend's concerns and I do not make light of any difficulties relating to the fact that property values are generally higher in London and the south-east. We shall take that factor on board in our research. In the light of what I have said, I hope that my hon. Friend agrees that it is sensible to wait for the results of the research that we have commissioned and to gauge the impact of the restriction nationally before proceeding further.

I assure my hon. Friend and all right hon. and hon. Members who have raised this matter that I do not take their concerns lightly. As soon as the results of the research are known, we will consider carefully the effects of the regulations. I welcome any other evidence that hon. Members may wish to include as part of our deliberations so that we can take account of it in our work.

It being before Two o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Sitting suspended, pursuant to Standing Order No. 10 (Wednesday sittings), till half-past Two o'clock.

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Good Friday Agreement

Mr. Tony McNulty (Harrow, East): If she will make a statement on progress in implementing the Good Friday agreement. [81279]

The Secretary of State for Northern Ireland (Marjorie Mowlam): A great deal of progress has been made in implementing the Good Friday agreement. The Government have already made all the practical preparations necessary for devolution and for all the institutions set up under the agreement to go live. Talks between the two Governments and the parties continue to try to overcome the remaining obstacles. No one is hiding the fact that this is a difficult period, but it is clear that the people of Northern Ireland want to make progress and want their agreement to be put into practice.

Mr. McNulty: I thank my right hon. Friend for that response. Will she join me in welcoming the opinion poll in the *Irish Times* yesterday which revealed that support for the Good Friday agreement among the people of Northern Ireland is still strong and, if anything, getting stronger? Does she agree that the overwhelming majority of people in Northern Ireland want their politicians to compromise, make the Good Friday agreement work and bring a lasting peace and normal politics to Northern Ireland?

Marjorie Mowlam: I agree with the points made by my hon. Friend. The poll revealed that 73 per cent. of the people of Northern Ireland—a higher number than in the referendum—support the agreement and would vote for it. It revealed also that a phenomenal 70 per cent. of people understand that the only way forward is to compromise. I always like to have the results of more than one poll, and the good point about this poll is that the guts of it, on the major issues, support previous polls by other newspapers and institutions. There is a continuity of view on those issues.

The poll also demonstrates—we should not ignore this fact—that half the population have confidence and believe that the Good Friday agreement will be implemented, and half have their doubts, are fearful and distrusting and do not have the confidence to believe that progress will be made. It is important that we continue our work with the Irish to build that confidence to find a way forward.

Mr. David Trimble (Upper Bann): I refer the Secretary of State to the security section in the Belfast agreement, in which the Government undertook to make progress towards normal security arrangements in accordance with a published strategy, and to consult with the parties about that strategy. When will the Government publish that strategy? Are they engaged in any consultation or negotiation on that strategy, or elements of it, with any parties? Will the right hon. Lady give an undertaking to the House that any published strategy will eschew gimmicks and make sure that the safety of society is the overriding consideration?

Marjorie Mowlam: I shall start with the right hon. Gentleman's last point. Clearly, the safety of the people of Northern Ireland is paramount in our minds, and that will be the overriding issue. The safety of the people is the job of any Government, and it will remain a strong priority and central to anything that this Government do.

The right hon. Gentleman asks whether there has been any consultation. We have consulted the Irish, as I am sure he and others would expect. Our close working relationship with the Irish is consistent with that consultation, and it would be surprising if we had not consulted.

The right hon. Gentleman also asks whether we shall consult other parties. We shall certainly consult him, as the First Minister, and the Deputy First Minister before any strategy is published. He asks whether there is a date for publication. We are still working on that strategy, so I cannot yet give him a date, but we shall publish it as soon as we have finished.

Mr. Seamus Mallon (Newry and Armagh): The Secretary of State will be aware that the *Irish Times* poll yesterday reveals that 69 per cent. of Ulster Unionist voters and 77 per cent. of Sinn Fein voters demonstrate an unwillingness to compromise. Given that fact and the fact that the interminable talks are getting nowhere, is it not time for the two Governments to stop playing nanny to the two parties that are holding up the agreement and to define clearly the compromises that must be made, the process through which the international body on decommissioning can progress and advance decommissioning and a date on which the Executive Committee and the institutions will come into being, without being vetoed by any political party?

Marjorie Mowlam: I share some of the hon. Gentleman's frustration with the speed at which the process is moving, but he knows as well as I do that it will not work unless we get all parties acting collectively to find an accommodation and a way forward. Therefore, as he suggests, the two Governments are working closely together to do what we can to move the process forward, but we need to do so with the parties on side, because the Good Friday agreement cannot work—decisions cannot be taken—without cross-community support. We are working on that now, and we shall continue to do so in the days and weeks ahead. I believe that there is not a party around that table that does not want to make progress and, as the poll suggests that the people want progress, it is incumbent on all of us to take a risk and keep going.

Mr. Lembit Öpik (Montgomeryshire): Does the Secretary of State agree that the *Irish Times* poll represents very good information indeed and that, although we do not always take such polls seriously, its findings seem to fit the general mood in Northern Ireland? In that context, does she agree that although it is perfectly legitimate for politicians in Northern Ireland to represent

the 27 per cent. who oppose the Good Friday agreement, they should not use their position to obstruct the progress that has been made so far?

Marjorie Mowlam: The 27 per cent. who did not support the agreement obviously have a democratic right to continue to voice their views, but I hope that they will acknowledge the wishes of the majority that we do everything we can to help rather than hinder. We have come a long way. A lot of progress has been made. It is a difficult time, and people are getting frustrated, but if we stick in there, keep talking and do not walk, we have a chance to make it.

Dr. Nick Palmer (Broxtowe): Most of us hesitate to intervene in these discussions from the mainland because we are reluctant to be back-seat drivers, but I believe that an increasing number of British MPs have realised that we have allowed the opponents of the agreement to hitch its success to a single aspect—the decommissioning of selected weapons—whereas, for most people, the essence is that the agreement delivers peace: the absence of hostile action by all sides. That is something which the surrender of weapons will not guarantee, and which requires further commitment from all sides. Might it not be possible to move the process forward by emphasising other aspects of the achievement of peace, which we all want?

Marjorie Mowlam: I thank my hon. Friend. I think it is clear from both sides of the House and from everyone around the table that agreement needs the support of all the parties—which is what we are working towards—and that, in addition, the whole of the Good Friday agreement must be implemented. As George Mitchell said, reaching agreement was tough; implementing it is tougher, because many people wanted one bit and not another. That is the stage that we have reached. People are looking at a host of options and ways forward.

My hon. Friend suggests that we look at other aspects and see whether that helps. What helps—an aspect that, as he suggests, might make a difference—is the building of trust and confidence, because what is needed is for all parties to realise how far we have come, for all parties to realise that people in Northern Ireland want to make progress and for all parties to ask themselves, "What can we do with the lack of trust and lack of confidence of others around the table?" I believe that if everyone did that, progress would be made.

Mr. Andrew MacKay (Bracknell): Does the Secretary of State accept that the two Governments have jumped every hurdle and fulfilled all their obligations under the agreement? Does she also accept that the constitutional parties, Unionist and nationalist, have also jumped all hurdles and fulfilled all their obligations, and that the stumbling block that stops an Executive being set up is the fact that the paramilitaries, republican and loyalist, are not starting their decommissioning?

Marjorie Mowlam: What the right hon. Gentleman has to do in understanding the Good Friday agreement is accept that all parts of the agreement have to be implemented. There is not a stumbling block for one side or the other because decommissioning, as we have said in the House on many occasions, is an essential part of the agreement. It is not a precondition but it is clearly an obligation, so that has to be part of what moves forward. As I said in my answer to the main question, we are almost there in implementing other parts of the agreement. By introducing preconditions of any sort, progress will not be made. The parties must come together, with all the help that the rest of us can give them, to find a way forward.

Mr. MacKay: Surely the Secretary of State accepts that everybody else has fulfilled all their obligations, including herself. The only stumbling block is now the paramilitaries. I do not believe that it can be right in a democracy that the democratic process is vetoed by the men of violence. Will the right hon. Lady seriously consider setting up a devolved Executive without Sinn Fein-IRA, and allow them to join as and when they start to fulfil their obligations by decommissioning?

Marjorie Mowlam: If I do what the right hon. Gentleman has asked me to do, I will lose the one bit of leverage that I have, which is to implement the Good Friday agreement in full. I would succeed in destroying that agreement. I have no intention of doing that.

Inward Investment

2. **Mr. Michael Clapham** (Barnsley West and Penistone): What action is being taken to encourage inward investment in Northern Ireland. [81280]

The Minister of State, Northern Ireland Office (Mr. Adam Ingram): The continuing attraction of inward investment to Northern Ireland is vital to the growth of the Northern Ireland economy, and the responsibility for this rests with the Industrial Development Board. As an example of recent initiatives, last October, I, along with the Secretary of State, supported by the First Minister (Designate) and Deputy First Minister (Designate), undertook an intensive 11-city inward investment tour of north America. The IDB is actively building on the benefits of that investment drive.

Mr. Clapham: I thank my right hon. Friend for that answer. I take this opportunity to congratulate the Northern Ireland team on its understanding and tenacity in encouraging the Belfast agreement along.

My right hon. Friend will be aware that inward investment is extremely important in creating the jobs, opportunities and prosperity that will help to bridge the sectarian divide. He will be aware also that new industry has a priority to ensure the health and safety of its work force. Will he ensure that the new Health and Safety Executive, which was set up and launched at Stormont earlier this year, is equipped to provide the best of standards for all workers in all occupations? As many of the new industries will be moving into established premises, will my right hon. Friend ensure that some of the inspectors are trained in the health and safety aspects of asbestos removal?

Mr. Ingram: I thank my hon. Friend for his warm words with reference to what we have been able to achieve to date. I hope that his view is shared on both sides of the House because much has been achieved. My hon. Friend is right in that the more progress that is made in establishing peace, the greater will be the economic development.

My hon. Friend referred to the establishment of the new Health and Safety Executive, which took up its mantle of responsibilities from 1 April. I take note of what he says about the training of inspectors. It is right that inspectors should be trained to deal with everything that they are likely to face in carrying out their duties. I shall ensure that that message is taken on board by the executive. Of course, if we have implementation of the Good Friday agreement, it will become a devolved issue for the new Assembly.

Mr. John Bercow (Buckingham): What research is being conducted by the Minister's Department to establish the relative importance of labour market flexibility and the use of the English language in the attraction of inward investment to Northern Ireland?

Mr. Ingram: I do not know whether we have undertaken any specific research. I shall certainly engage in some research to ascertain whether we have done any research and to see whether there is anything to be gained from such research. I think that it is well known that one of the specific areas of potential inward investment is the English-speaking world, primarily north America. That is why we targeted that market. I am not so sure that research would prove that we need to do more in that context because we have expended a great deal of effort in seeking to encourage inward investment.

As for the flexibility of the labour market, we market Northern Ireland on the basis of its human resources and its commitment, in all sections of the community, to the work ethic. The people of Northern Ireland want peace but they also want jobs.

Mr. Eddie McGrady (South Down): I thank the Minister for his earlier encouraging remarks on inward investment and draw his attention to the completion of a new business park in Downpatrick, in the north of the South Down constituency. According to the strategic plan for the next 10 years, the population of the area, which already has high unemployment, is destined to double. What specific and special action does he anticipate the Government taking to attract inward investment to the area, and to publicise and market the new business park? The area's visitation ratio over the past 10 years has been low.

Mr. Ingram: We seek to encourage among companies coming into Northern Ireland maximum interest in considering areas such as Downpatrick, which undoubtedly has major potential in a variety of ways—not only for industrial growth, but for tourism. I compliment my hon. Friend on all his efforts on behalf of his constituency and to ensure that people are aware of the importance of inward investment for that area. We do our best in marketing and encourage as many companies as possible to consider coming to Northern Ireland, but it is for them to make their investment decisions, although we may put attractive packages in front of them to attract them to areas such as Downpatrick.

Mr. Jeffrey Donaldson (Lagan Valley): The Minister will be aware that spiralling fuel costs in Northern Ireland are a major deterrent to inward investment. We welcome the announcement that I understand the Government have made about considering compensation to petrol retailers who are suffering as a result of smuggling. Will he meet the Northern Ireland regional representatives of the Road Haulage Association and the Freight Transport Association to discuss the impact of increasing fuel costs on the industry's ability to provide an effective transport service to businesses in Northern Ireland and to potential inward investors?

Mr. Ingram: I thank the hon. Gentleman for his welcome for the Government's announcement; it is always nice to hear such a welcome from him. The Government's approach has been to listen and to try to find the best way forward. I have agreed to meet the Petrol Retailers Association, and I would not be averse to meeting other interested lobby groups so that I can articulate their views to the appropriate Department. However, these matters do not rest with the Northern Ireland Office, but with the Treasury.

Decommissioning

3. **Mr. Nicholas Winterton** (Macclesfield): What recent representations she has received on when the decommissioning of illegally held weapons and explosives will begin. [81283]

The Minister of State, Northern Ireland Office (Mr. Adam Ingram): The Government continue to meet representatives of all the political parties to discuss all aspects of the Good Friday agreement. The Independent Commission on Decommissioning continues its discussions with the representatives of the various groups. All sides must honour all the commitments they made in the Good Friday agreement, and the Government are determined that all aspects should move forward in parallel.

Mr. Winterton: Does the Minister accept that Senator Mitchell, whom the Secretary of State mentioned in an earlier answer, said nearly three years ago that all paramilitary groups were committed to decommissioning and to peace? Does the Secretary of State accept that confidence in the peace process will not be encouraged if there is any question of Sinn Fein-IRA joining the Executive in Northern Ireland before there is credible and verifiable decommissioning? Does she further accept that many people believe that she will throw away all her negotiating cards if she continues to release convicted terrorist murderers from prison?

Mr. Ingram: I understand the hon. Gentleman's strong views on this issue, but he should have listened to some of the previous questions, which concerned what is deemed to be the current mood of people in Northern Ireland and what they want in respect of the implementation of the Good Friday agreement. We would not rest on one poll, but we have assessed the support for the agreement and the determination of the people of Northern Ireland for all aspects of it to be implemented. We have put in place many of the mechanisms to assist decommissioning. The independent commission will take forward any submissions or proposals from those who hold illegal weapons for disposing of them for the better and greater good of Northern Ireland.

Mr. Harry Barnes (North-East Derbyshire): Is not one option, which is not in front of us, parking the setting-up

of the Executive until autumn or even 12 months' time? Does my right hon. Friend agree that, given that moves need to be made, we should establish the Executive even when decommissioning has not taken place, excluding Sinn Fein until it comes on board, because the IRA is engaged in that project?

Mr. Ingram: My hon. Friend makes a valid point about the possible implications of parking the agreement. That is why the Government seek to do all that they can to continue the discussions and to keep momentum in the process. The talks in which the Government are involved are all about seeking to implement all aspects of the agreement. That is what the talks between the individual parties—bilateral, trilateral and multilateral talks—are all about. It is for the parties themselves to address the issues that continue to divide them. That is how we can begin to move this whole process forward. We must continue to talk, rather than encourage people to walk.

Rev. Martin Smyth (Belfast, South): A recent opinion poll showed that the bulk of the people wanted decommissioning. Is there evidence of any democratic country having in government parties supported by armed terrorism? Is it not a fallacious road to travel to discuss normalisation, equating the weapons of terror with the weapons of the state?

Mr. Ingram: We have to make sufficient progress on all aspects of the Good Friday agreement. No one in the House would disagree that illegally held weapons should be decommissioned. The normalisation process, as the hon. Gentleman defined it, is not about equivalence of weapons. We must look at how we can move the process forward, which means that everyone must look at fresh ideas to see how we can bring about a lasting peace in Northern Ireland. I would encourage the hon. Gentleman to start to talk the language of success and peace, rather than looking at the dark side and the downside of what is happening.

Mr. Dale Campbell-Savours (Workington): My right hon. Friend might recall that at the last Question Time, I asked him about the purchase of decommissioned weaponry from the paramilitary groups, and the Secretary of State said that she would refer the matter to the decommissioning commission in Northern Ireland. Can my right hon. Friend report any progress on that matter?

Mr. Ingram: The progress of which I would advise the House is that that matter has been referred to the independent commission. It is considering it, and it is a matter for the commission.

Mr. Malcolm Moss (North-East Cambridgeshire): Given that Sinn Fein-IRA and some of the loyalist paramilitaries have said on more than one occasion that they have no intention of decommissioning their arms, is not a halt to the release of prisoners long overdue, as we have been saying since the end of last year, until the paramilitaries honour the obligation to begin the decommissioning process?

Mr. Ingram: The Secretary of State is empowered to make judgments about the quality of the ceasefire and whether the IRA and other groups associated with the talks are still on ceasefire. The hon. Gentleman should reflect on whether he wants the Good Friday agreement to work or to fail. By being so stark in his choices, he would lead us down the road of failure. The Government are determined to succeed and will build on what the previous Administration sought to do by talking to those parties as well.

Pensioners

4. **Dr. Doug Naysmith** (Bristol, North-West): What measures she is taking to assist pensioners in Northern Ireland. [81284]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. John McFall): In line with the long-standing policy of parity between Great Britain and Northern Ireland in social security matters, pensioners in Northern Ireland benefit fully from the Government's strategy to provide effective help for today's pensioners, including the introduction of the minimum income guarantee and winter fuel payments. They will also share in the Chancellor's £1 billion pensioner package.

Dr. Naysmith: I thank my hon. Friend for that reply. Is it possible to estimate the number of pensioner households in Northern Ireland that will benefit from the Chancellor's recent Budget package?

Mr. McFall: I thank my hon. Friend for that question. There are 250,000 pensioners in Northern Ireland, and each and every one of them will benefit from the Chancellor's package. With the changes in income tax, 200,000 out of 250,000 pensioners in Northern Ireland will not pay income tax. That is good news for the country, and good news for the pensioners in Northern Ireland.

Mr. Clifford Forsythe (South Antrim): Does the Minister know that one in four pensioners in Northern Ireland are on income support? Although there is parity of benefits in Northern Ireland, unfortunately the price of food and fuel for everyone, including pensioners, is much dearer. In addition, there is no concessionary travel in Northern Ireland. Will the Minister please take notice of the report of the Transport Sub-Committee, which was published today? It suggests a national concessionary fare across the whole of the United Kingdom perhaps helped by local authorities.

Mr. McFall: I thank the hon. Gentleman for that question. I take his point about the number of pensioners in Northern Ireland on income support. The Government introduced the minimum income guarantee. The minimum income is £75 a week for single pensioners and £116 a week for couples.

The Department of the Environment, in conjunction with a number of district councils, is examining pilot schemes for free concessionary travel.

New Deal

5. **Mr. John Grogan** (Selby): How many people have started the new deal programme in Northern Ireland. [81285]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. John McFall): By the end of March 1999, 12,788 people had started the new deal programme in Northern Ireland.

Mr. Grogan: I thank my hon. Friend for that reply. What role is the voluntary sector playing in the new deal in Northern Ireland, particularly given the widespread anxiety in that sector about the reduction in the extremely important action for community employment programme? Can the new deal help to plug that gap?

Mr. McFall: I thank my hon. Friend for that question. That has been a matter of concern to me from my first day in office in Northern Ireland. As a result, I have established a cross-departmental dedicated team to write to and contact all the 188 ACE groups in Northern Ireland. My hon. Friend will be glad to hear that, only this week, I have sent letters saying that the Secretary of State has approved an extra £10 million this year for voluntary and other groups for the transfer from ACE to new deal.

Mr. Roy Beggs (East Antrim): I welcome the Minister's statement that most ACE groups have been assimilated into the new deal. Will he assure us that ACE groups that have not been so will be contacted by those implementing the new deal to ensure that no one misses out? Is not the most successful achievement of the new deal the fact that those who have been doing the double have been flushed out, and we have managed to reduce the numbers registering unemployed?

Mr. McFall: I thank the hon. Gentleman for that question. Only a few months ago, 60 ACE programmes signed up with the new deal. After intensive efforts by the dedicated team, there are now almost 160. Only 18 ACE groups have not been transferred. My officials across Departments are daily involved in negotiating with ACE groups. They provide me with a weekly report on progress. The permanent secretaries in Northern Ireland Departments intend to provide the Secretary of State with a progress report every fortnight. I hope the hon. Gentleman agrees that we are taking this matter seriously. ACE groups are being contacted, and we have met their concerns with the extra finance and resources that the new deal will provide.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [81309] **Ms Julia Drown** (South Swindon): If he will list his official engagements for Wednesday 28 April.

The Prime Minister (Mr. Tony Blair): This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall be having further meetings later today.

Ms Drown: In the light of the recent bombings in Brixton and the east end, will my right hon. Friend send a clear message from the House that this country is proud of its multicultural communities, and values the huge contribution made by members of ethnic minorities to business, culture, and much more? Will my right hon. Friend also assure the House, first, that the Government will do all that they can to protect the communities that are threatened by these vicious right-wing groups, and, secondly, that they are determined to fight the racism from which the violence flows?

The Prime Minister: The attacks have been attacks not just on the Afro-Caribbean and Bangladeshi communities; we regard them as attacks on the whole of British society. [HON. MEMBERS: "Hear, hear."] We are resolved, and I believe that the British people are resolved, to show utter determination in defeating the scourge of racism.

Let me say two more things. First, I congratulate the police on pursuing their investigations with the utmost vigour. Secondly, we can be proud of the way in which the communities in Brixton and Tower Hamlets—whatever their background—have come together to condemn these outrages, and to give the police every assistance.

Mr. William Hague (Richmond, Yorks): I entirely agree with what has been said by the Prime Minister and by the hon. Member for South Swindon (Ms Drown). I went to Brick lane on Monday, and what the Prime Minister said is absolutely correct.

May I reiterate the Opposition's support for the NATO action in Kosovo? Does the Prime Minister agree that, although it is deeply distressing when civilians are hurt and killed—as has happened again—President Milosevic must not think that those tragic consequences will weaken our resolve in the House of Commons to ensure that the NATO action succeeds? Will he comment on this morning's reports that there are difficulties over the implementation of an oil embargo, particularly the legal basis for it? Does he agree that the rules of engagement, and their basis, must be absolutely clear?

The Prime Minister: I certainly agree with the latter point. Of course the rules of engagement must be legally clear: that is why NATO is currently studying the best way in which to implement the embargo. Let me point out, however, that the European Union has agreed an oil embargo, and that the European Union associates—which include Serbia's neighbours, and countries such as Cyprus—are already associating themselves with it. The United States, contrary to some reports, is implementing a comprehensive trade ban that includes oil. We in this country will do all that we can to ensure that the economic sanctions imposed on Serbia are effective, and that no oil gets through to the Serbian military.

As for the events that occurred overnight, we take every single precaution that we possibly and reasonably can to prevent civilian casualties. We deeply regret them when they occur; but they are not the only tale of casualties overnight. There are also the 200 Kosovar Albanian men who were massacred in a village near Djakovica, adding to earlier reports of the previous killing of some 470 men in the same place.

The difference, quite simply, is this. Whenever there are civilian casualties as a result of allied bombs, they are by error. We regret them, and we take precautions to

avoid them. The people whom the Serb paramilitaries are killing are killed deliberately. That is the difference between us and them.

We must carry on with this action, utterly united, utterly resolved to see it through to a successful conclusion.

Mr. Hague: While I agree with the Prime Minister's last point, some concerns have been expressed that an oil embargo would be legal under international law only if it were introduced on an essentially voluntary basis, and that, if it is only voluntary, it will not be effective. There are reports that many countries have agreed to an embargo—the Prime Minister has just reiterated that—but that Russia has not agreed to it, and that it may be easy to get round it. How effective will it be if it is not a complete embargo?

The Prime Minister: The simple answer is that it will be as effective as we can possibly make it, consistent with proper rules of engagement and international law. I should point out to those who raise Russia specifically that the sea is not the only route for oil into Serbia, and that Russia is not the only or even the main supplier. Therefore, there is a very great deal more that we can do. We have some experience of enforcing these types of embargoes in different parts of the world, and I believe that that experience will be well used in this case.

Mr. Hague: Finally on Kosovo, on the question of ground troops, last week, Government sources said that NATO would not consider the option of a ground operation for another four to five weeks. Yet is it not the case that the length of time required to assemble and deploy troops, and then to allow the refugees to return before the winter, means that any decision on the use of ground troops would have to be made in the very near future—in the next couple of weeks? Therefore, is it not true that, if we want to take up that option, time is running out?

The Prime Minister: It is certainly right that time is a factor; but it is for precisely that reason that NATO charged the Secretary-General of NATO and NATO planners with reviewing and updating all assessments and all options. That is what we agreed at the NATO summit, and that is what is now being done.

Charlotte Atkins (Staffordshire, Moorlands): Will the Prime Minister congratulate our young United Kingdom chess players, who have won so many world titles and records recently? Does he agree that the best way of making the United Kingdom the top chess nation in the world is to recognise chess as a sport, and to end the discrimination of United Kingdom chess players, who suffer from lack of training facilities, lack of finance and very little organisation of chess games in schools? Is it not time that we joined the 100-plus nations of the world that already recognise chess as a sport and fund it accordingly?

The Prime Minister: It is at a moment like this that I look along the Front Bench in search of inspiration, but do not find any. *[Interruption.]* Yes, I have just located the inspiration, but, unfortunately, she is rather far away from me. My hon. Friend's comments sound thoroughly persuasive. Perhaps the safest thing for me to say is that I shall make further inquiries and write to her.

Mr. Paddy Ashdown (Yeovil): Given that, for the first half of this Parliament, Labour adopted the Conservatives' spending plans, and that, for the second half of this Parliament, the Conservatives intend to adopt Labour's spending plans, would not voters in next week's elections be justified in concluding that, when it comes to delivery of public services, there ain't much difference between them?

The Prime Minister: I agree that the Liberal Democrats have certainly been consistent throughout: they have consistently said that they will spend more money, and more money, and more money. What they have not ever done consistently is say how all those bills are to be paid. The idea that they will all be paid with that 1p on income tax—which, as I understand it, is not even Liberal policy any more—is nonsense. I suggest that people should vote for the party that has managed to get mortgage rates to their lowest level for more than 30 years, that has sorted out public finances, and that is now making the biggest ever investment into schools and hospitals.

Mr. Ashdown: The record actually shows that we were the only party at the general election to publish a fully costed manifesto. *[Interruption.]* That is absolutely correct; and, unlike Labour in opposition, we have always done so. Let us come now to the delivery—because the Prime Minister often tells us that it is not about inputs, but about outputs. Does not the record show that the right hon. Gentleman promised to make class sizes smaller, but that, for the majority of children, class sizes have become larger? He promised to bring down waiting lists, but waiting times are now at record levels. He promised to put more police on the beat, but the Government have cut the number of police in Britain. Does the Prime Minister really think that two years ago Britain voted to kick out the Tories in order to make our public services worse?

The Prime Minister: If I can just correct the right hon. Gentleman: first, we have reduced class sizes for five, six and seven-year-olds. There now are 130,000 pupils in classes of under 30 who would not have been otherwise and, for the first time, class sizes in primary schools are actually falling. We have reduced waiting lists and the right hon. Gentleman is wrong about waiting times, which we have also reduced.

As for the Liberal Democrats' costed spending plans, first, they can cost them in the certain knowledge that they will never have to carry them out. Secondly, they advocated spending less money than we are spending under our comprehensive spending review, so I suggest that people stick with their first instincts and vote Labour.

Mr. Harold Best (Leeds, North-West): Will the Prime Minister join me in congratulating the Home Office staff and the staff of Leeds city council on organising the smooth transfer and accommodation of Kosovan refugees in my constituency? Is it not an example that might be followed elsewhere in the United Kingdom?

The Prime Minister: I pay tribute to the work that my hon. Friend has done in making the arrangements work and thank the people of Leeds-Bradford and the surrounding area for the magnificent way in which they have welcomed the refugees from Kosovo. That is in the very best British tradition. We will certainly be taking further refugees from Kosovo. We also are probably doing as much if not more than any other nation out there in Macedonia and Albania to make sure that the refugees are looked after properly.

Q2. [81310] **Mr. Paul Keetch** (Hereford): Does the Prime Minister recall my letter of 18 March concerning the proposed closure of the Thorn Lighting plant in Hereford with the loss of some 348 jobs and the transfer of some of the production to the Spennymoor plant in his constituency? Given that the local authority, the chamber of commerce and the trade unions are in talks with management trying to save the Hereford plant, and given that Spennymoor gets some Government grants that the Hereford plant does not receive, will the Prime Minister ensure that there is a level playing field for both factories?

The Prime Minister: Yes, I do recall the hon. Gentleman's letter of 18 March. Of course, any proposed closure is distressing, but it is of course a decision for the company. I understand that members of the local task force are due to meet my hon. Friend the Minister for Small Firms, Trade and Industry in the next few weeks. The chambers of commerce, the training and enterprise council and the Employment Service are ready to help, so I hope that they can be of assistance to the hon. Gentleman's constituents. Although I recognise that it is no consolation to those whose jobs are under threat, it is worth acknowledging that unemployment in the hon. Gentleman's constituency has fallen by some 14 per cent. in the past year. We very much hope that we can help those who face redundancy and do everything that we can to assist them over the coming weeks.

Q3. [81311] **Mrs. Helen Brinton** (Peterborough): Further to the earlier exchange on Serbia, does the Prime Minister agree that the welcome signs of division within the Serbian regime are indeed a direct result of the solidarity shown at the recent NATO summit? Will he assure me and the House that he will do everything possible to ensure that the strength of NATO is maintained with the simple humanitarian objective of allowing the refugees to return and rebuild their lives?

The Prime Minister: My hon. Friend is quite right to draw attention to the divisions now appearing in the Belgrade regime. It was Mr. Draskovic who said to his own people, only a couple of days ago, that his fellow leaders were simply lying:

"Lying to the people that any day now we are going to prevail over NATO, that NATO is about to collapse, and that Russia is on the verge of starting World War 3. But NATO has never been stronger and more homogenous".

I believe that that is a result of the NATO summit. What is important is that we demonstrate complete determination and resolve that we shall not rest until NATO's objectives are met, and until an international military force goes into Kosovo and allows those people to return to their homes in peace.

Q4. [81312] **Mr. Oliver Letwin** (West Dorset): Will the Prime Minister guarantee that before he holds another referendum he will implement the recommendations of the Neill Committee on the fair conduct of referendums?

The Prime Minister: As the hon. Gentleman may know, my right hon. Friend the Home Secretary is due to publish a draft Bill on this matter shortly, but I point out to him that it was the Labour party that asked the Neill Committee specifically to look at these issues, after the previous Conservative Government refused to allow that. It will be our particular pride to introduce those recommendations.

Mr. Tony Benn (Chesterfield): Is the Prime Minister aware that, although the House and the whole world is united in horror at and opposition to the ethnic cleansing and brutality by Milosevic in Kosovo, the indiscriminate destruction of the infrastructure of Yugoslavia and the killing of innocent citizens—many of whom have been long opposed to President Milosevic—does nothing in the short run to help the refugees, and that in the view of many people, including me, that destruction and killing amount to a war crime in themselves?

The Prime Minister: I simply disagree with my right hon. Friend, for the reasons that I gave earlier. However, he prefaced his remarks by saying that whole world condemned the ethnic cleansing going on in Kosovo. I simply ask my right hon. Friend what, in those circumstances, does NATO do? Do we stand by and let it happen, or do we act?

Mr. Benn: Use the United Nations.

The Prime Minister: My right hon. Friend shouts to me that we should use the United Nations. We know the reasons why the United Nations would not have given us the ability to act. Either we acted, or we stood aside and let the horror continue.

I received a letter today from the hon. Member for Weston-super-Mare (Mr. Cotter). It concerned a meeting that he attended with two women—Dr. Dobruna and Professor Kelmendi—just a few days ago. I shall read a section of that letter to my right hon. Friend. The hon. Gentleman said that the women told the meeting that although

"immediate events are obviously paramount, they mentioned that even by February of this year, 45 per cent. of Kosovan villages had been destroyed, and that documentary evidence exists to support this."

I ask my right hon. Friend also to look at the statements that were made on behalf of NATO and the allied forces today, which list just some of the appalling atrocities that have been carried out by the Serb forces. My right hon. Friend should read some of the accounts from the refugees, who include young women who have been raped and abused so badly that they will never now be able to have children. Is my right hon. Friend saying that we should stand aside and let that happen, in Europe? That would be the ultimate moral outrage.

Q5. [81313] **Dr. Michael Clark** (Rayleigh): Is it not true that, even though Scotland will have its own Parliament,

English taxpayers' money will continue to go north of the border, that Scottish Members of Parliament will continue to come to Westminster to vote on English matters, and that one third of the Cabinet will be Scots? Can the Prime Minister sympathise with English people who want independence from Scotland? Can he support our slogan, "No representation without taxation"?

The Prime Minister: I had not thought that that was the policy of the Conservative party—although one can never be sure nowadays, as it tends to change quite quickly. However, I say to English nationalists what I say to Scottish nationalists: England and Scotland are stronger and better off together.

Q6. [81314] **Mr. Harry Barnes** (North-East Derbyshire): In bombing Yugoslavia, what distinction is made between bombing acceptable military targets and unacceptable civilian targets, and why are factories, bridges and televisions stations included in the first category rather than the second? Surely some distinction must be made between the two.

The Prime Minister: First, and by way of example, the bridges are used to transport Serb militia and troops, and they are a vital part of keeping Milosevic's war machine going. Secondly, as I have said already, the difference is that we do all that we can to avoid civilian casualties. The casualties inflicted by Milosevic are deliberate.

We cannot yet know how many people Milosevic has butchered in Kosovo, but I warn the House that the number will be very considerable. Day after day after day we hear from refugees tales of the residents of whole villages being rounded up and shot and of hundreds of young men being taken away never to be seen again. We must recognise that the only chance the refugees who have managed to escape will ever have will come if NATO continues its action and is successful. The best and most eloquent advocates for NATO action are the refugees themselves.

Mr. William Hague (Richmond, Yorks): In the light of accumulating evidence about the environmental risks of genetically modified crops, mounting public anxiety and statements during the past 24 hours by Tesco and Unilever, does the Prime Minister still reject the idea that it would be sensible to ban those crops until research into them has been completed?

The Prime Minister: We are making sure that no crops or foods are available until they have been properly and rigorously tested. The right hon. Gentleman is absolutely right to say that there is concern about the subject. However, a representative of Tesco, which he mentioned and which has said that it will withdraw GM foods, said on the radio this morning:

"It has absolutely nothing to do with safety or concerns about safety at all. We're well satisfied that the products we market have been exhaustively tested with regard to their human and environmental safety."

It is absolutely right that Tesco should take its own commercial decision. I have made clear the Government's position on GM foods, and we do not intend to change it.

Mr. Hague: Will the Prime Minister confirm that a day after the last time we discussed this matter on the Floor of the House, when he said that it was necessary to proceed on the basis of the best scientific evidence, English Nature, the Government body that advises him on these matters, wrote to him? The letter said:

"It is important that English Nature can be in a position to reassure the public that the technology is environmentally safe, with decisions being made on the basis of good . . . science. We cannot assure the public about this currently."

This month, new evidence has emerged from scientists that pollen from GM crops could spread more quickly than was previously thought. Why will the right hon. Gentleman not see common sense? Is the case not overwhelming for a ban on these crops until we have completed research?

The Prime Minister: Until research is completed, none of these crops can be made available. What the right hon. Gentleman asks for is already Government policy. He is trying to elide English Nature's concerns about biodiversity with food safety scares, and that is wrong. I am well aware that there will be a ready market for what he says in some parts of the media, but it is wrong.

Mr. Hague: It is precisely English Nature's concerns about biodiversity about which I am asking, and about which the Prime Minister has totally failed to answer. On his point about food retailers, does he accept that nearly all major food retailers have announced that they want to be able to sell GM-free products, for whatever reasons or motives? Is there not an opportunity there? If the right hon. Gentleman cannot see the case for reassuring the public about the crops, can he not at least see the commercial sense in ensuring that the United Kingdom preserves a GM-free source of supply, at least until the effect on other crops is known? That is what a lot of people in this country want.

The Prime Minister: First, the right hon. Gentleman said that I had not answered his question. I have answered him specifically and plainly: no crops are available and no foods are available unless properly tested. Secondly, are he and his Front-Bench team really raising the issue of tougher labelling for GM foods? When in Government, he blocked labelling of GM foods. We introduced it.

We all know what the game is, so let me say to the country that I entirely know about, understand and sympathise with people's concerns about GM foods. However, if people study properly the scientific evidence, they will have to conclude three things: first, that there is no evidence that GM foods are unsafe; secondly, that there is evidence about biodiversity and its effects; and, thirdly, that that is why we should proceed with the greatest caution and the toughest regulation, which is precisely what we are doing. It would also be sensible if, before sending a signal to the whole biotechnology industry that we shall proceed on the basis not of science but of scares, we reflected on the fact that the argument should be presented in a more balanced way.

Q7. [81315] **Mr. Huw Edwards** (Monmouth): Does my right hon. Friend agree that the National Assembly for Wales must work in the interests of all the people of Wales? Does he also agree that the only way to guarantee the

implementation of the Government's programme to build a strong economy in Wales, to invest £1 billion extra in the national health service, to raise school standards and to give all pensioners free travel within three years, is to ensure a Labour majority in next week's Welsh election?

Mr. Bob Russell (Colchester): Go on, disagree.

The Prime Minister: I shall not disagree with that; I agree with it wholeheartedly. My hon. Friend is right to say that there is additional money for the national health service and for schools, a better deal for pensioners and a 20 per cent. increase in child benefit—and you only get that under Labour.

Q8. [81316] **Mr. Malcolm Moss** (North-East Cambridgeshire): Is the Prime Minister aware of the growing crisis in nursery education, with at least two pre-school playgroups or nursery schools closing every week? Will he confirm that it is his Government's policy both to restrict parental choice in nursery education and to throw many dedicated professional nursery school teachers and ancillary workers on the scrap heap?

The Prime Minister: That is nonsense. The Government are expanding nursery education. We have got rid of the discredited nursery voucher system introduced by the previous Government, and we are expanding child care and other provision for children at a rate matched by no other Government this century.

Dr. David Clark (South Shields): May I revert to the issue of public service output and delivery, and ask my right hon. Friend whether he has seen the report that, for the second year running, Labour-controlled South Tyneside council, which he knows is in one of the most deprived areas in the country, has been adjudged the best performing local authority in England? Will he join me in congratulating its councillors, officers and other employees, and encouraging them to continue their good work and show that a Labour local authority produces the goods, and produces the best?

The Prime Minister: I am happy to congratulate South Tyneside on its work, especially in helping young people and in education. On both counts, it stands among the best in the country.

Q9. [81317] **Mrs. Cheryl Gillan** (Chesham and Amersham): On 10 April, the Chilean Government issued decree No. 209, which suspended all flights between Chile and the Falkland Islands. Will the Prime Minister now ask his Foreign Secretary to apologise for wrongly claiming that the suspension of that air link was a purely commercial decision by the airline, and will he tell the House, and the Falkland islanders, what formal protest he has made to the Chilean Government on behalf of the islanders, who are suffering greatly because of the Government's incompetence?

The Prime Minister: We have made it clear that we disagree with the decision, and we have made representations to the Chilean Government about it. The Pinochet decision is a matter for the law, and the law must take its course. I would hope that even the Conservative party would recognise that.

Mrs. Anne Campbell (Cambridge): On the subject of education funding, is my right hon. Friend aware of the remarks made today by the Tory leader of Cambridgeshire county council, who said that as the Government increase the standard spending assessment for education, he will reduce the county council's contribution, so the schools in my constituency will see no benefit from education spending? Can there be any reason why anyone who cares about education would ever vote Tory again?

The Prime Minister: That is the reality of Conservative education policy. They cut spending on education that is vital for children. It is all very well for Conservative Front Benchers to say that they are in favour of more education spending—or at least some of them, I am not sure how many—but the reality on the ground is the Conservative party moving further and further to the right.

Points of Order

3.30 pm

Dr. Liam Fox (Woodspring): On a point of order, Madam Speaker. May I seek your help in sorting out some confusion that has arisen over the Government of Wales Act 1998? Last year, in the other place, Lord Willoughby asked whether

"the Welsh assembly will not have the power to revoke the beef bones legislation because it will be subject to joint consultation with the Minister of Agriculture?"

The Minister replied:

"Because the powers remain joint, the assembly alone will not be able to revoke them."—[*Official Report, House of Lords*, 2 June 1998; Vol. 590, c. 226.]

However, last week, the Secretary of State for Wales was asked whether

"the National Assembly for Wales will have the power to *(a)* modify and *(b)* lift the ban on beef sold on the bone; and if he will make a statement."

The Minister replied:

"Yes. The power under which the Beef Bones Regulations 1997 were made will be transferred to the National Assembly for Wales."—[*Official Report*, 21 April 1999; Vol. 329, c. 599.]

May we have a statement so that, a week ahead of the Welsh elections, the Government can explain the confusion arising from their Welsh devolution legislation?

Madam Speaker: The hon. Gentleman will appreciate that I cannot be called upon to assess the accuracy or otherwise of statements made by Ministers. I am sure that he knows how to pursue this. He may call for a statement himself.

Mr. Crispin Blunt (Reigate): On a point of order, Madam Speaker. On 22 February 1999, the right hon. Member for South Shields (Dr. Clark) asked the Minister for the Armed Forces an oral question on Gulf war syndrome and claims for war pensions. He said:

"The Minister will know that, according to convention, after six or seven years, the onus of proof switches against the claimant—that is, the veterans. Will he assure the House today that that will not occur in the case of Gulf war veterans?"

The Minister answered:

"I am pleased to confirm that his interpretation is correct on this question."—[*Official Report*, 22 February 1999; Vol. 326, c. 12.]

In evidence to the Select Committee on Defence this morning, the Minister was unable to confirm that that statement was correct. To some extent, he withdrew from it. He assured the Committee that he would, at some unspecified date, make the policy on compensation clear to the House. I did not believe that that was adequate. He should give a fuller explanation to the House. I told him that I would raise the matter as a point of order this afternoon. Can you advise me and the Minister of the correct procedure for correcting an incorrect answer to the House?

Madam Speaker: As the House is aware, I do not comment on the proceedings of Select Committees. I certainly do not intervene in matters of political controversy or the interpretation of ministerial statements. I have not, as yet, received a request from the Minister to make a statement today, but I feel certain that, if any inadvertent error has been made, it will be corrected at the earliest opportunity. I am sure that Ministers will have noted my remarks and will ensure that a correction is made, if necessary.

Mr. Andrew George (St. Ives): On a point of order, Madam Speaker. The House will know that the marine accidents investigation branch's confidential draft report into the loss of the Margaretha Maria 18 months ago with the loss of four of my constituent's lives was leaked to the press yesterday. Leaving aside concerns about that tragic loss, the report appears to raise serious questions about the stability of all similar beam trawlers. Given the obvious anxiety in fishing communities, has the Minister responsible said whether he will make a statement?

Madam Speaker: I have not been informed of any Minister seeking to make a statement on that matter.

Mr. Tam Dalyell (Linlithgow): On a point of order, Madam Speaker. In the light of the bombing of Surdulica, have you had a request from any Minister to clarify whether there was personal agreement by a senior British Minister about the targeting of that cotton town, or whether a system is still in operation whereby, before any NATO targeting is agreed, a senior British Minister has to be consulted?

Madam Speaker: I must tell the hon. Gentleman that I have received no request from a Minister to make a statement on such a matter. However, he barely needs reminding—nor does the House—that the Prime Minister has been at the Dispatch Box for half an hour today. It was open to many hon. Members—Back Benchers as well as Front Benchers—to put questions to the Prime Minister on that issue.

Mr. William Ross (East Londonderry): On a point of order, Madam Speaker. Despite your previous requests for short questions during Northern Ireland questions, that did not happen today. We were in fact treated to a whole series of mini-speeches, with the consequence that we managed to reach only Question 5. Do you agree that that is quite inadequate, Madam Speaker? Is there anything that you can do to ensure that there are shorter questions and, preferably, much shorter answers from Ministers?

Madam Speaker: I am delighted with that point of order. I always urge the House to put short and brisk questions to Ministers. That is especially the case during Northern Ireland questions. I notice that we deal with very few questions on Northern Ireland issues. The hon. Gentleman is correct to say that we reached only Question 5 today.

However, Northern Ireland questions are especially difficult to handle, for the simple reason that I want to call Members from all parties in the House to put a question to the Secretary of State for Northern Ireland. That means that not only Government Back Benchers but members of the Opposition Front-Bench team must be called, as well as Members from the hon. Gentleman's party and those of other parties representing Northern Ireland. I always insist on calling as many people as possible on those questions. We are always slow with Northern Ireland questions, but I do urge Back Benchers to be rather more brisk than they have been in the past. I am sure that I shall also receive the co-operation of the Northern Ireland team on the Treasury Bench.

BILLS PRESENTED

NORTHERN IRELAND (LOCATION OF VICTIMS' REMAINS)

Secretary Marjorie Mowlam, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Secretary Cook, Mr. Secretary Straw, Mr. Secretary Dewar, Mr. Secretary Michael and Mr. Adam Ingram, presented a Bill to make provision connected with Northern Ireland about locating the remains of persons killed before 10th April 1998 as a result of unlawful acts of violence committed on behalf of, or in connection with, proscribed organisations; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed [Bill 92].

Restraining and Protection Orders

3.37 pm

Ms Bridget Prentice (Lewisham, East): I beg to move,

That leave be given to bring in a Bill to empower the courts to make orders which restrain the conduct or movements of a person convicted of certain criminal offences, for the purpose of protecting the victim of the offence; to make similar provision with respect to orders which require statutory agencies to provide services to certain persons; and for connected purposes.

When I first considered the introduction of a ten-minute rule Bill, I wanted to revisit the Protection from Harassment Act 1997 to see whether a definition of stalking is now needed. The Act does not define stalking and, having discussed the matter with a number of interested groups—including the Suzy Lamplugh Trust—it seemed that the Act itself is better for that.

I believe that part of the Act's success is due to the introduction of restraining orders that prevent the perpetrator from contacting his victim after sentence is served. Restraining orders had not originally been part of my Bill, but were added after advice from Tim Lawson Cruttenden and Neil Addison—two lawyers who also advised my hon. Friend the Member for Rossendale and Darwen (Janet Anderson) now the Minister for Tourism, Film and Broadcasting, when she introduced the original Stalking Bill as a ten-minute rule Bill in 1996. I am grateful to them for the support that they have given me with my Bill. They, too, had the support of the Suzy Lamplugh Trust and the Association of Chief Police Officers.

It seems to me and to the supporters of the Bill that, if such orders were successful in stopping stalkers from harassing their victims again, it may well be appropriate to extend them to others who might return on their release from prison to victimise their original target. It is for that reason that I want to give the courts—it must be the courts—the opportunity and flexibility to impose restraining orders on people convicted of other serious crimes.

My right hon. Friend the Home Secretary is rightly keen to redress the balance in favour of the victim. For example, that is why the Youth Justice and Criminal Evidence Bill has been so warmly welcomed. Protecting witnesses and victims while they are giving evidence is essential to ensuring that people who commit serious crimes are brought to book. However, it is equally important that they are also protected after the criminal has served his sentence.

The criminal courts have been able to impose bail conditions for many years, and typical conditions include staying away from the victim or from specific areas. However, the fact that such conditions end once the defendant has been sentenced often produces results that the victim finds difficult to understand. It seems odd that a defendant who claims to be innocent—and who may indeed be innocent—can be forbidden from contacting someone whom he is alleged to have assaulted, but that, once he has been convicted, he is free to return to, to speak to, and therefore to cause fear and concern to, the person whom he has been convicted of assaulting.

Restraining orders are currently restricted to convictions under sections 2 and 4 of the Protection from Harassment Act—in other words, a defendant who merely causes another to fear that violence will be used against

[Ms Bridget Prentice]

him or her can be ordered not to contact the victim again, but someone who actually uses violence cannot be made subject to a similar order. An example of that might be the recent case of Burstow, the stalker who was released having served a three-year sentence for causing psychological bodily harm to Tracey Morgan. He immediately began contacting her again, but the police were powerless to do anything until he had done enough to breach the Protection from Harassment Act.

Burstow's contacting his victim again was not enough to cause a breach, as there was no order specifically prohibiting him from doing so. My Bill would rectify that, and cover many other incidents of the sort that victims experience all too often. It is simply not true that victims who express alarm that, "The man who raped me now lives around the corner," are automatically calling for him to be returned to prison. What they want is for him to be prevented from having any contact with them again, so enabling them to rebuild their lives in peace.

Let me give a couple of examples of the sort of people whom I hope would be affected by the Bill. Currently, the only way a victim of domestic violence can ensure safety is through a civil injunction. Unless the woman qualifies for legal aid, that has to be obtained at her own expense, and she certainly has to endure two court appearances in respect of the same incident. A burglar who returns to the estate that he robbed or a drug dealer who returns to his favourite corner cannot be prevented from doing so. The Crime and Disorder Act 1998 addressed some of those issues, but it can be applied only through a court other than the one in which the criminal was originally convicted. In addition, it appears that that Act applies only to offences affecting a community, rather than a single individual.

Extending restraining orders to other serious offences would mean that, at the same time as a prison sentence was imposed, a burglar could be prevented from revisiting the estate on release, or a rapist could be prevented from contacting the person he has raped or returning to the area in which the rape occurred. My Bill would cover any offence punishable with imprisonment of five years or more—in other words, a serious arrestable offence. It would also cover certain other offences relating to the use or threat of violence, racial hatred and personal harassment.

Where a crime of common assault or domestic violence occurs, the victim would benefit from a court order being attached to the prison sentence. Such an order would be quicker, it would reduce the need for legal aid because it would be dealt with by the sentencing court, and it would be processed by the Crown Prosecution Service. The order would also be of considerable help to victims of domestic violence because a civil injunction does not carry with it the powers of arrest.

The second part of the Bill relates to what I have called protection orders. The two orders are thematically linked. If a person believes himself to be a danger to others, or if a statutory agency such as a health authority can provide evidence to a court that a person is likely to be a danger to others, a protection order may be made which would mean that the person concerned was taken into protective custody. A breach of the order would not, in itself, be a criminal offence, but the police could detain the person in police custody and return him or her to a place stipulated by the health authority. The order would have to be made by a circuit judge in a county court, and he would have to give written reasons for his judgment. The police or the local authority could be asked to provide information if the request were reasonable. The case of Michael Stone, who was convicted of the brutal murder of Mrs. Russell and her daughter Megan, might have fallen into that category.

The measure would affect only a small number of people, but it would provide an opportunity to protect both the individual and the potential victim of a serious violent offence. That protection to the individual and to his potential victim is very much in line with the European convention on human rights. For that reason, I hope that the House will be able to support this Bill. It will give further assurances to the general public—and to victims in particular—that we are serious about protecting our citizens from violence, from the fear of violence and from intrusion into their lives.

Question put and agreed to.

Bill ordered to be brought in by Ms Bridget Prentice, Mr. Vernon Coaker, Ms Ann Coffey, Mr. Andrew Dismore, Mr. John Heppell, Mr. Phil Hope, Mrs. Jacqui Lait, Kali Mountford, Mr. Ian Pearson and Joan Ruddock.

RESTRAINING AND PROTECTION ORDERS

Bridget Prentice accordingly presented a Bill to empower the courts to make orders which restrain the conduct or movements of a person convicted of certain criminal offences, for the purpose of protecting the victim of the offence; to make similar provision with respect to orders which require statutory agencies to provide services to certain persons; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 7 May, and to be printed [Bill 93].

Orders of the Day

Finance Bill

(Clauses 2, 28 and 99)

Considered in Committee [Progress, 27 April].

[SIR ALAN HASELHURST *in the Chair*]

Clause 28

RESTRICTION OF MCA TO THOSE REACHING 65 BEFORE 2000–01

3.47 pm

Mr. David Heathcoat-Amory (Wells): I beg to move amendment No. 1, in page 14, leave out lines 21 and 22.

The Chairman of Ways and Means (Sir Alan Haselhurst): With this, it will be convenient to discuss amendment No. 2, in page 14, leave out lines 25 to 27.

Mr. Heathcoat-Amory: I ask the Committee to consider these amendments, which make changes to the Government's provisions regarding the married couples allowance. As I think the Committee knows, the Finance Bill will abolish the married couples allowance and replace it in due course with a children's tax credit.

When the Chancellor announced that change in his Budget speech, he rather typically failed to make it clear that the children's tax credit will not come into effect until April 2001. So the Government have the use of about £2 billion in public money for that year. In addition, the children's tax credit will cost the Government about £650 million less than the married couples allowance, which they are abolishing. The Government are removing an allowance that is familiar and upon which many people rely and replacing it a year later with a cheaper allowance.

Moreover, the Treasury Select Committee report describes the new arrangement as "complex". Much of the evidence that the Committee received about this section of the Bill points to problems in administering the children's tax credit, the fact that it will create a high marginal tax rate as it is withdrawn up the income scale, and that it generally represents a further complication in an already over-burdened tax system.

We shall undoubtedly debate the tax credit in greater detail at another time, but it is relevant to discuss it now because of the Government's switch. They are abolishing an allowance that has been a familiar and valued part of the tax system and upon which many people have relied and are replacing it with an untried, complex arrangement that will be less generous and will go to different people.

Mr. John Healey (Wentworth): Will the right hon. Gentleman comment on the observations of Mr. David Brodie, the director of the charity TaxAid, who, after the Budget, said:

"The children's tax credit is a generous arrangement, reducing most taxpayers' liabilities by £416 a year or £8 a week, which is double the value of the married couple's allowance"?

Mr. Heathcoat-Amory: If the hon. Gentleman had told us a little more about what the charity sector is saying, he could have referred to its critical remarks about the withdrawal of dividend tax credits, something that will hit charities extremely hard when the transitional arrangements end.

Although people may welcome additional money for children and families, that does not excuse this measure, whereby the Government are taking away money from childless couples and, as I shall now outline, hitting particularly hard people who are coming up to retirement age. That is the subject of the amendments.

In his Budget speech, the Chancellor asserted:

"Today's pensioner couples will retain the married couples allowance."—[*Official Report*, 9 March 1999; Vol. 327, c. 183.]

He hoped to convey the impression that, although married couples allowance is being abolished for most taxpayers, it is being retained for pensioner couples, but that is not the case. If people become 65 after 5 April next year, they will not receive the married couples allowance. That date is entirely arbitrary. If people were born on 5 April 1935, they will receive the allowance in old age; if they were born a day later, on 6 April 1935, they will not receive the allowance. Being born a day later makes a difference of £500.

The Red Book, which fleshes out the details of the Budget, contains a section on pensioners and an entire chapter called, "Building a Fairer Society". Nowhere does it explain the unfairness and say why pensioners will not receive the married couples allowance if they reach retirement age after next April. It does not explain also why a one-day difference in birth dates can determine whether one receives a £500 tax credit. That measure is not fair or equitable; it is a good illustration of stealth taxation. The apparent extension of married couples allowance to pensioners will, in fact, apply to a smaller and smaller number of people as they die off or get divorced.

Mr. Geoffrey Clifton-Brown (Cotswold): Does my right hon. Friend agree that people in their late 50s and early 60s, especially those on low incomes, who were born after that magical date, are being particularly discriminated against because there is virtually no likelihood that they will be able to have children if they have not already got them, so they will not be eligible for the child tax allowance, and nor will they be eligible for the older married couples allowance?

Mr. Heathcoat-Amory: My hon. Friend makes a good point. Many of those people who are coming up to retirement will have looked forward to relying on the married couples allowance. Almost by definition, they cannot now alter their working arrangements, work overtime or get a different job to make up for the income that they will lose. That is the extent of their vulnerability, and yet, out of the blue, comes a Budget that will remove an important and valued tax allowance which they were looking forward to, when it is already too late for them to make alternative arrangements.

Mr. Geraint Davies (Croydon, Central): Will the right hon. Gentleman give way?

Mr. Heathcoat-Amory: I will when I have completed the point.

[Mr. Heathcoat-Amory]

That blow is the latest in a series of blows that the pensioner and saving communities have suffered at the hands of the Government. In the Government's first Budget, there was a £5 billion a year raid on pension funds as a result of the withdrawal of dividend tax credits. Therefore, the same people who are now coming up to retirement have already seen the value of those pension funds reduced.

Does the hon. Gentleman still wish to intervene?

Mr. Geraint Davies: My simple argument is that every change in tax interferes with people's tax planning and confounds their plans. That aspect is not limited to the change that the right hon. Gentleman was criticising, or to people over 65. Anyone, such as myself, who might have benefited from the married couples allowance now cannot plan towards that, but that is the nature of changing tax.

Mr. Heathcoat-Amory: The point that I was making was that pensioners are especially vulnerable. If the hon. Gentleman were to have his tax allowances removed suddenly, he might be able to get a different day job to make up that reduction, but that option is not open to the people who are hit by clause 28.

As I was in the middle of saying, this is not the first blow that those people have suffered. Not only is the withdrawal of dividend tax credits from their pension funds draining £5 billion a year into the Treasury, but many of those people made regular savings into personal equity plans, and all that was stopped from April 1999. PEPs have been replaced by individual savings accounts, which are more expensive, more complicated and less advantageous. Therefore, a series of hammer blows has landed on the very people who are hit by the clause.

Everywhere, the Government have hit pensions and savings, and the next generation of pensioners will now have their personal allowances reduced or abolished as well.

Mr. Christopher Leslie (Shipley): If the right hon. Gentleman is so concerned about future planning, will he explain the rationale behind his Administration's halving of the value of the married couples allowance over the period when he was a Minister?

Mr. Heathcoat-Amory: It is one thing to reduce an allowance and quite another to abolish it. Moreover, it is a clearly different thing to reduce an allowance in the context of a tax-reducing strategy. We brought the level of personal and direct taxation down in successive Budgets. Against that background, it is fully justified to reduce some allowances and increase others. However, the Government are relentlessly increasing the burden of direct taxes on, and reducing the allowances of, the most vulnerable people in the tax-paying community.

The Paymaster General (Dawn Primarolo): Will the right hon. Gentleman tell the Committee the value to that same pensioner group of the cut in the married couples allowance made by the Conservative Government, and will he explain why he thinks that that was worth less?

Mr. Heathcoat-Amory: We have a proud record of reducing personal and direct allowances and, by the end of our term of office, all sections of the tax-paying population were better off. We are now witnessing an assault, not only on the general tax-paying public, but especially on people who are less able to order their affairs to compensate for what the Government are doing. There is no better illustration of that than clause 28.

Dawn Primarolo: Will the right hon. Gentleman give way?

4 pm

Mr. Heathcoat-Amory: No. I have given the hon. Lady her chance. She may well have an opportunity to make a speech if she catches your eye, Sir Alan.

It is not only the married couples allowance that is being abolished. There is also the widows bereavement allowance. The Committee may need reminding that, attached to the married couples allowance, is the separate but linked widows bereavement allowance, which is paid to widows for up to two years after suffering that bereavement. A Government press release on Budget day made the following erroneous claim:

"Widows will be more than compensated for the loss of this allowance by the proposed Bereavement Payment in the Welfare Reform and Pensions Bill."

The Chancellor has now admitted that that was incorrect. There is an opportunity for the Government to apologise to the House of Commons through the Committee rather than relying on a letter that was written to the Select Committee on the Treasury, in which it was admitted that the press release was incorrect.

The Government made quite a seriously misleading statement. It is now clear that widows in retirement will be suffering from more than the withdrawal of the married couples allowance, because they will not be in receipt of either the widows bereavement allowance or the replacement bereavement payment. I quote from the relevant section in the Select Committee's report, which states:

"The Chancellor agreed to write to us, and in their note the Treasury stated that the bereavement payment 'will not generally be available to people over pension age'."

That contradicts the statement that was made on Budget day. I hope that the Minister has made a note of that. It would be at least a courtesy if she could correct the misleading and untruthful statement that was made on 9 March.

Mr. Edward Davey (Kingston and Surbiton): Talking of correcting misleading statements, I am not sure whether the right hon. Gentleman made a slip of the tongue, a Freudian slip or a confession. He said a few minutes ago that the Conservatives had a proud record of reducing allowances. That is certainly what they did, and many people are worse off because of that.

Mr. Heathcoat-Amory: If I made that slip, I can correct it. We reduced the burden of taxation by reducing rates and preserving, and in some cases increasing, allowances. The effective burden of taxation borne by the groups that we are discussing was reduced during our period in office. I am grateful to the hon. Gentleman for giving me the opportunity to clarify that point.

The widows bereavement allowance is an important issue. It was not mentioned anywhere in either the Chancellor's statement or in the section in the Budget

report to which I have referred. Again, we have an example of stealth taxation. With this Government, we have always to peal away the obfuscation, and, in this instance, the downright untruth, to get at the reality of what is happening to taxpayers.

On the very date that I have been talking about, 6 April 2000, the value of state earnings-related pensions will be halved for spouses. That is to say that a widow, for example, will be able to inherit only 50 per cent. of the SERPS entitlement built up by her husband. That is a pre-existing decision; it was taken many years ago. However, I am grateful for an early-day motion, which has been signed by a number of Labour Members, which points out that the Government, until this year, were sending out, again, misleading information to those making inquiries about the value of the SERPS entitlement for spouses. It is yet another blow that, on the very day that a widow's SERPS entitlement is halved, the Government are removing the entitlement to the widows bereavement allowance. That will be the subject of other amendments when the Bill reaches another Committee. Those amendments will ensure that pensioner couples continue to receive married couples allowance, as I believe that they are entitled to do. Many of them rely on it, and Conservative Members believe that they should have it.

Mr. Julian Brazier (Canterbury): Clause 28 is the worst clause in the Bill and I am delighted to speak to this pair of Opposition amendments relating to future pensioners. I must say, Sir Alan—if you will forgive me this anecdote—that I remember clause 28 of another Bill from some years ago causing huge demonstrations and attracting a vast amount of media attention for those who claimed to be defending an alternative life style. This clause 28 has attracted little media attention. There is little public interest, and certainly no demonstration to defend the interests of many millions of married people who will lose a benefit that has existed, in one form or another, since the end of the first world war.

Nobody in the Chamber could have failed to notice the certain amount of mischievous reporting, which has been filling some of the media, on an alleged debate in my party on the question of welfare and the balance between the free market and the state. The debate on these amendments offers me a particularly good opportunity to state my position, which is that welfare should never lie principally with either the state or the free market. By far the most important element of welfare is the family—historically and even today.

I look forward to the next debate, in which we shall discuss how the clause relates to people who are rearing children. I do not want to make the same points twice—you would rightly call me to order, Sir Alan—but the statistics I shall offer then concern the stability of the relationships of married and unmarried people. They point strongly to the efficacy of marriage as an institution in terms of keeping a man and a woman together.

Kali Mountford (Colne Valley): Will the hon. Gentleman give way?

Mr. Brazier: In a moment.

There are a range of reasons for believing in the importance of marriage. In the context of a Finance Bill, the state, as well as the people concerned, has an interest in that stability.

Before the hon. Member for Colne Valley (Kali Mountford) makes the point that was bound to be made—someone always leaps up to make it—I am obviously not suggesting that people will rush off to get divorced because of a change in legislation. However, before I reply to the point that I suspect she is about to make, we should hear her make it.

Kali Mountford: I thank the hon. Gentleman for giving way. I had not thought of making a point about divorce, so I thank him for raising the issue in the Committee. I was going to ask him what evidence the Conservative Government gathered during their period in office that family stability had been affected by tax decisions. Are not there all sorts of demands on families? People do not base decisions about family stability on tax allowances.

Mr. Brazier: I suggested that the hon. Lady might make exactly that point, and she has done so.

Unlike my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) on the front row—[HON. MEMBERS: "He was the hooker."] My right hon. Friend was a sportsman, but I will not make a point about that. I do not defend the cuts that we made in the married couples allowance, but the evidence on stability falls into two halves. For the second half, the hon. Lady will have to wait for a couple of hours because I shall deal with it under the next amendment as it relates to couples with children. It is very detailed and comes from statistics provided to me by the House of Commons Library.

Overwhelming evidence shows that marriage is the critical factor in stability of relationships between men and women. The second half of the hon. Lady's question lies—

The Chairman: Order. I have allowed the hon. Gentleman to preface the introduction to his remarks, and he has done so in a fairly wide-ranging manner. I am duty bound to the Committee to nudge him back into the narrow area covered by the amendment, which deals with the age-related married couples allowance. We cannot have a general debate about the married couples allowance.

Mr. Brazier: I well understand that, Sir Alan. I was responding to the generalised question that the hon. Member for Colne Valley asked me, which was what evidence I had that the tax system influences people's behaviour. I must reply briefly to that, if I may—

The Chairman: Order. As a result of my generosity in the first place, the hon. Gentleman made remarks which attracted the attention of the hon. Member for Colne Valley (Kali Mountford). He must not go further down that track. I have now decided that he has gone far enough, so I suggest that he returns to the narrow terms of the amendment.

Mr. Brazier: In that case, the hon. Lady will have to wait for the next debate.

Is it fair that a married couple who are only four or five years from retirement, who have gone through their working lives without drawing benefits, having never been out of work, should be told that they are to lose

[Mr. Brazier]

the married couples allowance? They may both have contributed all the way through, or the husband may have done so while the wife had a gap for child rearing—or the other way round, as is increasingly common. That benefit is worth several hundred pounds a year and the couple may have been relying on it as part of their retirement income.

At the risk of arousing your ire again, Sir Alan, may I say that, as my right hon. Friend the Member for Wells said, that comes as part of the framework of changes in provision for those approaching retirement—a framework that has challenged the contributory principle. Why should those approaching retirement not think that, having paid into the system all throughout their working lives, it is only fair that the Government should not move the goal posts, as clause 28 would do? Why should they not say, "We have paid our taxes. We are approaching retirement. Why should only those who are already retired on the date shown in the clause benefit from the allowance?"

Mr. Steve Webb (Northavon): The hon. Gentleman and I share a belief in the institution of marriage. However, he makes a point about the stability of marriage in a debate on a group of amendments which deals specifically with allowances for pensioners. Is there any evidence to suggest that there is instability in pensioners' marriages?

Mr. Brazier: The hon. Gentleman allows me a second bite at the question. I congratulate him on his clever phrasing, which I think, Sir Alan, allows me to reply. The short answer is that I have seen no clear statistical evidence of that. Most of us come to this House because we believe that the signals that Members of Parliament send matter. It seems extraordinary that we should tear up a signal which, since 1918, successive Chancellors of the Exchequer—two were from the Liberal party and others were from the Labour and Conservative parties—have believed to be very important. That signal is that the House believes that marriage matters and that, in this context, people approaching retirement deserve some recognition through the tax system of the fact that they are married.

4.15 pm

Dawn Primarolo: Will the hon. Gentleman explain to the Committee why the right hon. and learned Member for Rushcliffe (Mr. Clarke), when he was Chancellor of the Exchequer and announced a further reduction under the Conservative Government of the married couples allowance, described it as an anomaly in the system that we did not need?

Mr. Brazier: Bluntly, I do not agree with my right hon. and learned Friend.

Mr. Edward Davey: The hon. Gentleman voted for it.

Mr. Brazier: The hon. Gentleman is right to remind me that I voted for it. At the time, I was in the middle of a rebellion on another family issue, as some hon. Members may remember. The married couples allowance is not an anomaly. I believe that that was the wrong decision, and a wrong justification for the reduction. The allowance has existed since 1918, and I am delighted that the Conservative party as a whole—Conservative Members on the Front Bench and on the Back Benches—will shortly be able to vote against this measure. I hope that the Liberal Democrats will join us in the Lobby.

This issue is not just about signals or the importance of marriage: there is a practical point. I said at the beginning of my speech that the most effective form of welfare is that provided within the family. We all know of couples—many of us have examples in our own families—one of whom looks after the other. It is more often the wife who looks after the husband, but sometimes it is the other way round.

The Chairman: Order. I am not sure that the hon. Gentleman is taking on board my signals. The debate is about the age-related married couples allowance. He is making a speech that would fit more naturally into the clause stand part debate. I ask him for the final time to keep within the terms of the amendment.

Mr. Brazier: I was about to mention nursing care for the elderly. The key point is that if the husband looks after the wife or the wife looks after the husband, the little bit of extra income that is currently provided by the married couples allowance may assist in ensuring that that unpaid, unrecognised, undervalued carer feels able to go on. Any reasonable person would accept that several hundred pounds a year might, at the margin, make the difference, and enable a wife or a husband, who, for a number of years has looked after an elderly or less fit spouse, to go on.

Mr. John Hayes (South Holland and The Deepings): Specifically within the terms of the amendment, does my hon. Friend acknowledge that the majority of registered disabled people are over retirement age? The Government want to drive them into work as part of their reforms, but that is neither here nor there. Many of the people to whom my hon. Friend refers have severe disabilities and will be particularly hard hit by this measure.

Mr. Brazier: Yes, indeed. My hon. Friend will remember the touching testimony of the shadow Secretary of State for Social Security, our hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith). For many years, his mother nursed his elderly father, who was suffering partly as a result of the wounds he acquired during the war. She was unpaid and unrecognised by the benefit system, but she nursed him through it. Such couples will lose the married couples allowance.

It is extraordinary that, after all these years, we should remove this cover. It is particularly sad and arbitrary for the Government to say that people who have already retired are different from those who are about to retire. The aim of my right hon. Friend's excellent amendment is to ensure that married couples who retire in the future get the same benefit as people who are currently retired, the value of which the Government have recognised by leaving it in place for people who reach 65 before 2000-01.

Mr. Geraint Davies: We should consider the financial impact of what I consider to be an unfortunate wrecking amendment. The Government propose to scrap an

allowance that has already been discredited by the Opposition, who have continually reduced it and who accept that it should go. The question is, what is the best strategy for phasing it out? The Government propose to retain the allowance for those who are currently pensioners, but if the amendment were passed, it would never be phased out: all new pensioners would continue to enjoy the benefit. Given that Britain has an ageing population, the Exchequer would be spending money that could otherwise be spent on families, and on children in particular. The point of the clause is to transfer expenditure to families in need.

Mr. Nick Gibb (Bognor Regis and Littlehampton): Did not the hon. Gentleman stand for election on the platform that his party was committed to not raising taxes? During the general election campaign, the leader of his party said that there would be no tax rises at all. Is not the abolition of the married couples allowance, particularly for pensioners, simply an increase in income tax? How does the hon. Gentleman justify that?

Mr. Davies: The hon. Gentleman refers to a myth that is being peddled continually. The commitment was for income tax not to be increased. I was not going to mention this, but we have reduced income tax rates to 23p and 10p, which is a remarkable achievement.

Mr. Gibb: How can the hon. Gentleman say that his Government have reduced income tax? The abolition of the married couples allowance will mean that an ordinary married couple will pay an extra £197 in income tax. How does the hon. Gentleman square the two statements?

Mr. Davies: The commitment was to reduce the rate of income tax, and that is what we have done—as well as reducing the rate of corporation tax, and other taxes. It would be bizarre for any Government to say that they would never increase any taxes. Apart from anything else, what would they ever do? It is unbelievable that any sensible person could interpret anything that the Prime Minister has ever said as meaning that we, as a new Government, would never raise taxes. That is a farcical idea.

I have been distracted. Let me return to the narrow arena of the amendment. We have spent about £2 billion a year on the married couples allowance, an increasing proportion of which is used by people over 65 as they grow older. The question is whether that should continue—as it would if the amendment were passed—or whether the money should be targeted on families who are in greater need, as our general strategy suggests. I hope that the Opposition will answer this question at some point today: where would they find the money to fund that increasing share of the £2 billion? Would they take it from impoverished families with children, or would they tax it? Do they entirely dismiss the Government's overall strategy of directing money towards families to enable them to work and to care for their children?

The hon. Member for Canterbury (Mr. Brazier) mentioned family values. He also referred to "child rearing", as though he was talking about chicken farming. The Government's strategy is intended to help families: that is the whole point of it. As for "signals", does the hon. Gentleman not agree that the signal that the Opposition are sending the community in the amendment is "Do not get married until you are 65"? The amendment poses the danger of a sudden surge of people marrying at 65.

Mr. Brazier *rose—*

Mr. Howard Flight (Arundel and South Downs) *rose—*

Mr. Davies: Here they come! They are surging ahead! They are surging everywhere!

Mr. Flight: Surely, according to the hon. Gentleman's logic, the tax incentive that the Government have given to 65-year-olds will lead them to contract serial marriages and start families again.

Mr. Davies: That is obviously the signal that the hon. Gentleman has received. No doubt he intends to go off and do that, but I do not think that such a move would be rational. I think that he should reconsider his personal position.

Mr. Edward Davey: I shall not try now to enter into subject matter that will be dealt with in later debates, on amendment No. 8, on clause 28 stand part, and on the principle behind the married couples allowance, except to say that the comment of the hon. Member for Canterbury (Mr. Brazier)—that one must support the married couples allowance if one is in favour of the family and marriage—simply does not stand up. The idea that the tax system must support marriage and the family is a complete fallacy. There are 101 other policies that would be more effective in supporting marriage and the family, and I shall describe some of them in our later debates. However, I felt that I should make those preliminary remarks, so that my subsequent remarks flow logically.

As my hon. Friend the Member for Northavon (Mr. Webb) said, in his intervention in the speech of the hon. Member for Canterbury, there is no evidence that the married couples allowance has increased the stability of marriage among elderly people. I have figures, which the hon. Member for Canterbury did not have with him, from "Social Trends 1999", suggesting that, over the years—as the previous Conservative Government phased out the married couples allowance—the stability of marriage among elderly groups has, if anything, increased. In 1971, the divorce rate among those who had been married for 30 years or more was 9 per cent. In 1996, the percentage had gone down to 5 per cent.

Therefore, if anything, the stability of marriage among the elderly has increased.

Mr. Hayes: Although I know that this may test the hon. Gentleman's intellectual capacity, is not the logic of his statement—given the figures that he presumably has at his disposal, showing an increasing number of marriage break-ups among people in their 20s and 30s—that reducing the allowance encourages marriage break-ups among younger and middle-aged people?

Mr. Davey: I was going to deal with exactly that point, and to say that, because of that very point, one has to interpret the figures with some care. I therefore take on board the hon. Gentleman's first point. However, the

[Mr. Davey]

figures do not support the second point that he was trying to make—that reduction and phasing-out of the married couples allowance has increased the divorce rate.

Mr. Gibb: Is it not the case that, although the value of the married couples allowance under the previous Government was reduced for people under 65, its value was maintained throughout that period—as it was in the current Government's first year—for people over 65? Do the figures therefore prove the case one way or the other?

Mr. Davey: I had planned to deal with the relevant point behind the hon. Gentleman's remarks—the need to ensure that we protect that group of elderly pensioners. We have to ensure that people in that group have some offsetting allowances, to ensure that they are not hit by the proposed measure. It is an important point, and the most germane argument in relation to this group of amendments.

There is a case for keeping the married couples allowance for new pensioners, to protect them from taxation increases. However, if we can protect that group within the Government's overall package, it would be satisfactory to phase out the married couples allowance for everyone, so that the tax system might be simplified. So far, although the Government have probably not gone far enough to compensate pensioners, they have included in the Finance Bill the right types of measures, on which we should hope to build in Committee.

The children's tax credit does not apply to this group of amendments—although, judging from his comments, the hon. Member for Canterbury might like them to.

Mr. Brazier: What does the hon. Gentleman mean by that?

Mr. Davey: The hon. Gentleman seemed to be suggesting that people would try to exploit the children's tax credit by having large families, and that the Government were trying to create such an incentive.

Mr. Brazier: You have the wrong Member.

Mr. Davey: I apologise; I was referring to the hon. Member for Arundel and South Downs (Mr. Flight).

I want to highlight the Bill's measures that will protect that group of pensioners. Clause 21 provides an over-indexation of personal allowances for the elderly. It does not completely compensate them; it is a partial offset, but it is the right measure.

4.30 pm

The Liberal Democrat alternative Budget, which was produced before the Chancellor's statement, proposed a simpler tax system that got rid of allowances such as the married couples allowance and increased the basic personal allowances. So, in this regard, the Government are taking our ideas on board, or at least sharing the same ground and acknowledging that we need higher personal allowances that protect pensioners and other low-income groups from a higher tax burden.

Mr. Geraint Davies: Is it not the case that raising allowances as prescribed in the Liberal Democrat manifesto would cost some £15 billion? Can the hon. Gentleman say briefly where the money would come from? Would he raise income tax or what?

Mr. Davey: I shall not try your patience too much, Sir Alan, but the document that we published prior to the Budget set out all the details and costings. Those costings included the abolition of the married couples allowance.

Our position today is totally consistent with what we said before the Budget. We shall vote against the amendments and support the Government tonight because they are going in our direction and increasing personal allowances to protect vulnerable groups. They could go further, and I am sure that we shall debate that later.

For example, clause 19 could have provided even more protection for elderly people. The Government introduced a 10p starting rate of income tax, but they have not applied it to savings. Is that not introducing an anomaly? They could have taken the opportunity to provide further protection for current and future pensioners who will be hit by parts of clause 28.

We call on the Government to ensure that pensioners are not only protected from the abolition of the married couples allowance, but targeted as a group that need more resources. In previous Finance Bills, the Government penalised pensioners through, for example, the abolition of dividend tax credit. I hope that the Committee will return to that point as we certainly intend to put the Government on the spot. More than 300,000 pensioners have lost an average of £75 a year as a result of that policy.

The Government could go further. In previous debates, my hon. Friend the Member for Northavon spoke about our policy to increase the basic state pension by £3 a week for those aged over 75 and by £5 a week for those aged over 80. That would target resources on those most in need, as poverty among elderly people is highly correlated with age. It would ensure that those groups were protected from the abolition of the married couples allowance, and more than compensated. They would be far better off with that package of policies.

We shall table amendments to the Welfare Reform and Pensions Bill when it is considered on Report, proposing that policy package. I believe that we already have the support of the right hon. Member for Birkenhead (Mr. Field), a former Social Security Minister. I shall be interested to see whether Conservative Members sign up to those amendments and vote with us on welfare policy. If they really are interested in protecting pensioners, they will back our policy, which is the best way of using taxpayers' money to alleviate poverty among the elderly. We look forward to them supporting us as that would be in line with their arguments this afternoon.

The Liberal Democrats reject the amendments because they would prevent an overdue reform of the tax system. They would prevent a reform that would simplify the tax system and free up resources that could be used elsewhere properly to promote the family, targeting resources on children, and giving the Chancellor the resources to tackle pensioner poverty.

Mr. Flight: I listened carefully to the Chancellor's presentation of his Budget. He did not say that the married couples allowance would be retained for current pensioners, but abolished for future pensioners. He used

the general word "pensioner". As was reported in the media at the time, he gave the distinct impression that the intention was to retain the married couples allowance as a tax measure to help support pensioners in their retirement.

I spoke at a large meeting in my constituency the week after the Budget, at which I made clear the reality of the Chancellor's proposals. Not surprisingly, there was considerable annoyance in my audience at the Chancellor's Orwellian use of language to secure misleading headlines. I call on the Government to make their intentions and proposals clear, if nothing else. The Budget speech is too important for half truths.

The Chancellor also argued that there was a trade-off. He said that, although it was a good thing to abolish the married couples allowance—because it had got so untidy when it came to deciding who qualified for it, with many contorted questions about whether people were married or divorced, and so on—the trade-off was to be the new child credit.

More Orwellian language was used when it was stated that the proposal was all about the Government's pro-family policy. However, the word "family" does not now mean mother, father and children, as it used to. It now refers to children with perhaps one parent: if there are two parents, it does not matter whether they live together.

It is axiomatic that retired people do not have families. What I said in my intervention in the contribution from the hon. Member for Croydon, Central (Mr. Davies) was mainly in jest, but I was trying to illustrate the very real point that an argument can be made for changing the married couples allowance tax benefit to the new child credit. Such a change would have a redistributive element—the less well-off would be better off and the better off less well-off—but, overall, the benefit to families would be about the same.

There is a fairness to that argument that echoes the Chancellor's favourite phrase about fair tax policies, but there is no fairness in simply removing a substantial tax benefit for elderly people that is not to be made up elsewhere. The figures show that, for people over 75, the married couples allowance is worth more than £5,000. That is quite substantial, and the value of the allowance after tax is quite significant.

I want to expand on the point that has been made already about planning. People plan for their old age. Perhaps many hon. Members have not yet reached the age when they start such planning, but I certainly have. People work out their pensions and savings in building societies so that they can plan their financial arrangements for old age. With the introduction of stakeholder arrangements, the Government are exhorting more and more people to make such provision, but it is too late for people aged 65 to make changes, to begin new careers and take out new insurance policies, and so on.

I submit that a change such as is proposed requires much longer notice than a year. People retiring in the next 10 years, say, will not be able to make up for the tax loss that this change will inflict.

The reduction in the SERPS widows benefit has already been cited. That was announced some 13 years ago, but hon. Members will be aware that hardly anyone knew about it. The Department of Social Security often gives incorrect advice, but the real problem is that people were not aware, even after 13 years, of the changes to that benefit.

A principle of the tax system is that it should not change all the time. The Government made no mention in their election manifesto that they were going to abolish the married couples allowance for retired people. That abolition is part of a considerable and growing attack on the great rump of pensioners in the middle of society. When I listened to the hon. Member for Croydon, Central, I could not help feeling that he was saying that ageism is now politically correct among Labour Members. He seemed to feel that there was something virtuous in deriving pleasure from taxing older people more. Their pension funds are being taxed. They are being stopped from having tax credit on dividends if they pay no tax. The Government are removing tax benefits on insurance policies. Is all that some sadistic attack on elderly people? It seems to be thought that it is politically proper.

My main criticism is that the provision is devious and misleading. It was not made clear, and pensioners are not being compensated for it. The top-up to pensions guarantee applies only to people who have minimal savings or none. The measures will simply make the great mass of older people less well off in their retirement.

Pensioners are not stupid. In New Zealand, Ministers are frightened even to address public meetings because pensioners have been physically assaulting them. The Government seem to think that pensioners are soft prey and that the media are not interested. However, in my experience, the senior part of British society has rumbled the sum total of the fiscal attacks that the Government are mounting. The matters covered by the two amendments are, in the Chancellor's language, unfair and unjust, and the way in which they were announced was downright misleading.

Kali Mountford: My hon. Friend the Member for Croydon, Central (Mr. Davies) was quite right to say that the amendment is a wrecking amendment. If the official Opposition were serious about amending the clause, they would have suggested some reasonable future date. If they disagree with our date, why not suggest another proper date two or three years hence? The Tories are simply opposed to the resolution. They simply do not like the abolition of the married couples allowance. Rather than be straightforward, they have produced a wrecking amendment without talking about the age group that would be affected by it.

Mr. John Bercow (Buckingham): Will the hon. Lady give way?

Kali Mountford: No, I shall make my point.

A couple who had had no married couples allowance would suddenly receive it on their retirement date. That makes no logical sense. In his considered speech, the hon. Member for Kingston and Surbiton (Mr. Davey) rightly noted that, if we are to find resources to fund measures that I think are the right ones, money must be found sensibly and logically in a way that fits with the Government's overall strategy. The age group is critical in that sense.

If we are to support children, we must be consistent. Opposition Members really want to talk about families, but they must consider the effects of their nonsensical amendment. It makes no sense to encourage marriage in retirement, but not the rest of the time. Tory Members

[Kali Mountford]

will surely vote against the clause at the stand part stage. So why spend the Committee's time on discussing this amendment? I find it all very confusing.

Mr. Hayes *rose—*

Mr. Brazier *rose—*

Mr. Alan Johnson (Hull, West and Hessle): Give way to the good-looking one.

Kali Mountford: My hon. Friend must not try to guide me. The hon. Member for South Holland and The Deepings (Mr. Hayes) asked first.

Mr. Hayes: The hon. Lady is very kind and I am extremely flattered.

I do not support the abolition of the married couples allowance for anyone, but does the hon. Lady acknowledge that the nub of the amendment is that younger married people will at least be able to make alternative provision in their many years together? Elderly married people simply do not have that opportunity. Someone of 61 or 62 who is looking forward to retirement simply does not have enough years left to make the kind of alternative private provision that will make up for what the Government are taking away. That is the salient point.

4.45 pm

Kali Mountford: The logic of what the hon. Gentleman says is the same as that behind what I have been saying. If he believes that people need an adjustment time in which to make their financial arrangements, why does he support the amendment? It would not achieve that end; it would simply wipe out our attempts to get rid of the married couples allowance. I do not believe in a married couples allowance.

Mr. Hayes: I do.

Kali Mountford: People get married—and divorced—for all sorts of reasons, but not for tax incentives. That argument is irrelevant.

Mr. Bercow: Will the hon. Lady give way?

Kali Mountford: I think that the hon. Member for Canterbury (Mr. Brazier) asked me first, but I wanted to complete my point first.

Mr. Brazier *indicated dissent.*

Kali Mountford: In that case, I give way to the hon. Member for Buckingham (Mr. Bercow).

Mr. Bercow: Will the hon. Lady tell the Committee when and where she informed the voters in her constituency that she opposed the married couples allowance, and would take every opportunity to try to get rid of it?

Kali Mountford: The hon. Gentleman knows that the proposal was made clear in the Chancellor's fine speech. We also had a green Budget, which Conservative Governments never even tried to achieve. Under Conservative Administrations, people were never given a six-month opportunity to consider the direction that the Government should take. That argument is nonsense. *[Interruption.]* I cannot believe that the hon. Member for Buckingham did not read the green Budget.

I have always made it clear that we should support children, but the amendment goes down the wrong line. It would affect pensioners. It was right for the Government not to remove allowances from people who have already had the allowance and made their retirement arrangements on that basis. To remove their allowances would have been harsh and wrong, this year, when people have not had a chance to consider their arrangements.

If Opposition Members were serious about what they say that they are trying to achieve, they would have specified a date in the future—but their amendment is nonsense, and I cannot possibly agree with it.

A few other spurious measures have been discussed in the debate. The one that horrified me most was the idea of a 14-year timetable for the changes in the state earnings-related pension scheme. Why did not the Conservative Government make proper arrangements when they made the changes in 1986? It is a disgrace that they did not do so, and people could not make proper arrangements for their retirement.

It is a bit rich for Opposition Members to complain to the Committee today about SERPS, and to say that people need time to make proper, considered arrangements for their retirement. People were never given any information in the first place, and now the Labour Government are having to pick up the pieces and put things right.

The issue was debated at length in the Standing Committee on the Welfare Reform and Pensions Bill, and the arguments remain the same. The Opposition Members on the Committee at least had the decency to apologise for their Government's mistake in not administering the change in SERPS properly.

Mr. Brazier: The hon. Lady and I served together on that Committee. Will she follow her logic through and think for a moment? She is berating us for publicising something insufficiently 14 years ago, yet the interval until the change comes through is less than the interval associated with the clause. Even if the changes were published to the heavens, it is far too late for people to make provision.

Kali Mountford: The hon. Gentleman's comments might make sense if his party had ever done anything about the change in the first place. In some cases, we now have only a matter of months in which to deal with the change that people are facing. We are having to go back and think about ways of compensating people who made decisions based on the SERPS arrangement in 1986, and were not made aware of the change. Given that they left us with such a fiasco, it is a bit rich for the Tories to start arguing about proper time being allowed for changes in people's tax arrangements so that they can make proper provision for the future.

Surely, as we have made the decision, it is better to be clear about it. We are being clear about it today, and people can make their decisions for the future.

The hon. Member for Kingston and Surbiton made some valid points about how to deal with compensation for people's changed arrangements and ensuring that they can make proper arrangements for the future. We can debate at length later in the Bill's passage how to make such provisions but this amendment would not achieve any of them. Conservative Members are being disingenuous in their remarks.

Mr. Clifton-Brown: Sir Alan, I assume that we will not get a clause stand part debate and that you will therefore allow us to range a little wider than normal on the amendment.

The Chairman: I hope that I am always generous in allowing Members to speak to amendments, but I cannot be over-generous. We must not go outside the rules of order. This is about age-related married couples allowance. I hope that the hon. Gentleman will not provoke me too much. I cannot say whether there will be a later debate.

Mr. Clifton-Brown: Thank you for that advice, Sir Alan.

Clause 28 abolishes the non-age-related married couples allowance from April 2000. Unfortunately, the Chancellor has seen fit to compensate some people by a child tax allowance to be introduced one year later. People who would have been eligible for married couples allowance, whether elderly pensioners or not, will have to suffer for a whole year without any form of compensation. That enables the Chancellor to retain about £1 billion that he would otherwise have had to pay out in allowances.

In his Budget speech, the Chancellor deliberately duped the public when he set out his reasons for abolishing married couples allowance. He claimed:

"It is in fact a tax credit paid at the same flat rate to married couples, single parents and unmarried parents living together."—[*Official Report*, 9 March 1999; Vol. 327, c. 182.]

We know that that is not true because it is the additional personal allowance that is available to unmarried and single people, and that is being abolished as well.

As my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) said, not only is the additional personal allowance being abolished, but the reliefs that go with it. Widows bereavement allowance and relief for maintenance payments, which are both available to elderly pensioners and others, are being abolished. It is an especially mean abolition because widows should particularly be helped a little by the tax system.

The elderly married couples allowance will still be available for people aged over 65 until 5 April 2000, but there is an anomaly in that provision. The Government's Welfare Reform and Pensions Bill, and all their other social security legislation, provides that women can retire at 60. If they wish to retain the married couples allowance for retired people why should not the allowance be retained at least for women aged over 60? Will the Paymaster General consider amending the Finance Bill so that women aged over 60 can claim the additional allowance? I am pleased to see her nodding assent.

Dawn Primarolo *indicated dissent.*

Mr. Clifton-Brown: If the Minister is not nodding assent, she is going against the tenor of all the social security legislation.

Dawn Primarolo: The hon. Gentleman should check the qualification criteria for the married couples allowance. He will find that the statement that he has just made to the Committee is incorrect. I strongly advise him not to pursue that line of argument because he has made an error about who qualifies for it.

Mr. Clifton-Brown: I am grateful for that clarification, but I have here the Bill, as published, and refer the Paymaster General to clause 28(2), which states:

"Subsection (1) (reduction where neither spouse is aged 65 or over)—shall cease to have effect."

Subsection (3) of the clause continues:

"In subsection (2) (reduction where either spouse is aged 65 or over)—"

Paragraph (a) in that subsection states:

"for 'is at any time within that year of the age of 65 or upwards' there shall be substituted 'was born before 6th April 1935'."

According to my calculations, that applies only to people aged over 65, but I am willing to have the matter clarified.

The Chairman: Order. I hope that the hon. Gentleman will focus on the two lines in between that he did not quote; they are the ones that are relevant to the amendment.

Mr. Clifton-Brown: I hesitate to disagree with you, Sir Alan, but, as I understand it, the amendment applies to lines 21 and 22—I am reading from the amendment. The lines that I quoted are lines 21 and 22 of clause 28(3)(a), which state:

"for 'is at any time within that year of the age of 65 or upwards' there shall be substituted 'was born before 6th April 1935'."

The Chairman: I do not want to enter into a dispute with the hon. Gentleman, but as I heard it, he read out clause 28(2) and then went on to refer to subsection (4). I do not dispute that what he has just read is the text of subsection (3)—that is the subsection that we are discussing.

Mr. Clifton-Brown: Thank you, Sir Alan. I do not want to dwell on the matter and I thank you for your advice. It seems to me that the wording of the Bill is clear, but, if I am wrong, no doubt the Paymaster General will correct me when she winds up the debate.

Kali Mountford: Is the hon. Gentleman now advocating same-sex marriage? I understood that it took two people—a man and a woman. Given that fact, what he has said seems nonsensical. Is he not simply saying that we will move the whole date forward by five years for everyone?

Mr. Clifton-Brown: As the entire social security system—and every other similar system in this country—

[Mr. Clifton-Brown]

is predicated on the basis that women can retire at the age of 60 and men can retire at the age of 65, if one wants to deal with retired people by giving them a special, additional married persons allowance, it would make eminently good sense to allow women who retire at 60 to be able to claim that allowance. Obviously, the hon. Lady and I have different opinions on that matter and we shall not agree.

Mr. Bercow: I am grateful to my hon. Friend for trying to negotiate the details of the issue with Labour Members, but does not the absence of any logical basis in the Government's treatment of the issue prove what we know? The issue is not about consistency with other Government policies, or about ethics; it is simply a grubby bid to save a little bit of money for the Exchequer. That is the rationale. Why does not the Paymaster General give up the unequal struggle and admit it?

Mr. Clifton-Brown: My hon. Friend is too generous to the Government. The measure is not merely a grubby deal to save some money; at the same time, it claims to benefit pensioners—something that could be done much more effectively.

There is no doubt that elderly people approaching retirement have been severely disadvantaged by the measure; they will have no time whatever to build up their finances to compensate for the loss of the allowance. That is so typical of the Labour Government; they tend to hit people at the bottom of the income scale. We have seen that time and again. It is grossly unfair because those people—of all members of society—do not have the time to work overtime to make up their pensions to provide for themselves when they eventually reach retirement age. It now seems that women will be encouraged to work an additional five years—from the age of 60 to 65—because they will be denied the allowance and that, too, is grossly unfair.

Others among my colleagues have said that the measure is anti-family. Indeed it is. The married couples allowance was introduced in the first place to compensate for the fact that married couples could not claim the additional single persons allowance. Under these provisions, we are saying, in effect, that it is fine for people to live together because they will be able to claim the additional single persons allowance, but a married couple—who are not both earning—will not be entitled to claim those two personal allowances.

Mr. Geraint Davies: Does the hon. Gentleman accept that, if the Committee accepted the amendment, it would be unfair to two friends or colleagues, one of whom was married and the other not, approaching the age of 65, because the unmarried person would point to the married one and say, "My friend has the allowance and I haven't—what have I done wrong?"? Would that not be grossly unfair?

5 pm

Mr. Clifton-Brown: The hon. Gentleman has conclusively proved that Labour Members have not understood the reason for giving married couples an allowance, which is precisely to benefit people who are married. We all want people being married to be the normal state, because they cost the state less, live more happily and derive all sorts of other benefits from being married. However, it is quite clear that the Government have absolutely no regard for that.

Mr. Davies: Is not the history of the allowance that it was designed to help married people with the costs of marriage and of children? It would be absurd to reward someone who is 65 simply because that person is married or because he or she opportunistically gets married aged 65 so as to get the allowance.

Mr. Clifton-Brown: With that second intervention, the hon. Gentleman gets himself into even deeper water. The married couples allowance is not given only to those who have children. There are thousands of married couples in this country who, for many different reasons, choose not to have or do not have children. Why should they not be given a little help by the tax system?

Mr. Bercow: I am sorry to trouble my hon. Friend again, but I cannot resist the temptation to point out yet another inconsistency between the views of Labour Members. Does he not think it extraordinary that, on the one hand, the hon. Member for Colne Valley (Kali Mountford) says that it is absurd to suppose that people get married to attract the allowance, whereas on the other hand, and only a matter of metres away from her, the hon. Member for Croydon, Central (Mr. Davies) pillories older people, impugns their motives and implies that, at an advanced age, they would rush to the altar simply to get the allowance? Government Members should get the line right.

Mr. Clifton-Brown: My hon. Friend is exactly right—no one would rush to the altar to get the married couples allowance. Successive Governments of both colours have decided that it is right to encourage the state of marriage and that there should be an additional allowance to compensate for that.

Mr. Healey: Will the hon. Gentleman give way?

Dawn Primarolo: Will the hon. Gentleman give way?

Mr. Clifton-Brown: I give way.

The Chairman: Order. When more than one hon. Member has risen, the hon. Member for Cotswold (Mr. Clifton-Brown) should state to whom he is giving way.

Mr. Clifton-Brown: I give way to the hon. Member for Wentworth (Mr. Healey).

Mr. Healey: Is not the hon. Gentleman overlooking the fact that other parts of the tax system benefit married couples? MIRAS—mortgage interest relief at source—can be claimed by both partners if they are married, but not if they are unmarried—*[Interruption.]* Transfers between married couples are exempt from capital gains tax, whereas transfers between unmarried couples are not.

Mr. Clifton-Brown: I am delighted by that intervention. It is the Labour Government who are

abolishing MIRAS, which is another allowance that is transferable between husband and wife. I am all in favour of allowances that are transferable between husband and wife and I strongly supported independent taxation. I urge the hon. Gentleman to make vigorous representations to Treasury Ministers that capital gains tax allowances should remain transferable between husband and wife, because it seems to me that that might well be next on their list for abolition.

The measure is a mean one, and the Government are mean to take a whole year before implementing the replacement allowance in respect of children. It is anti-family, anti-women and ageist. I urge the Government to consider allowing women to claim the allowance when they are 60 and not make them wait until they are 65. Why should women have to work all that extra time to make up their pension so that it provides them with a reasonable living in their retirement?

Mr. Barry Gardiner (Brent, North): In so far as the institution of marriage is under threat, few people outside this Chamber and with no political axe to grind would claim that that is due to the Government's decision to abolish the married couples allowance.

Clause 28 deals specifically with couples over the ages of 65 and 75. The hon. Member for Arundel and South Downs (Mr. Flight) said that the allowance could be worth £5,000 a year for couples over the age of 75. I am more concerned about those pensioners over the ages of 65 and 75 who come to my surgeries to thank the Government for providing the minimum pension guarantee, which guarantees approximately £4,000 a year.

Mr. Gibb: I do not know what the hon. Gentleman finds in his surgeries, but 40 per cent. of the population in my constituency are retired and people come to my surgeries and ask, "What is this minimum income guarantee? I thought it applied to all pensioners, but I now find that it applies only to those on income support." Is that not a betrayal on the part of the Government? Pensioners are led to believe one thing, but the reality is quite different.

Mr. Gardiner: This Government have introduced the minimum income guarantee for pensioners. In 1983, the previous Conservative Government abolished the link between pensions and earnings, but this Government have restored at least for the minimum guarantee.

My point—which is germane to the discussion of these amendments—is that Opposition Members here are not exercised by a guaranteed income of £5,000. That is a tax relief for those pensioners whose income is so large that they can take advantage of that £5,000 allowance. The question is clear: where do those Members' priorities lie? The priorities of this Budget, as expressed in this clause, are quite clear: we seek to benefit pensioners not through this measure but through other measures set out in the Budget.

Mr. Clifton-Brown: Will the hon. Gentleman clarify his remarks? I am sure he will agree that the odd £100 or £200 is worth considerably more to someone on a very low rate of tax than the odd £1,000 or £2,000 is worth to someone who claims the older married couples allowance at the full rate of tax. I cannot square the hon. Gentleman's remarks that the Opposition are interested only in those couples on high incomes. In fact, we are much more interested in the meanness of this change as it affects those on very low incomes.

Mr. Gardiner: I am sorry that the hon. Gentleman did not understand me; I shall try to explain my point more fully. It is very simple. We are talking about tax allowances for pensioners whose savings are so substantial that they have steady incomes. They can take advantage of the tax allowances on the income that they generate up to £5,000. But, by abolishing the married couples allowance, the Government have introduced a £1 billion package for poorer pensioners.

The hon. Member for Cotswold (Mr. Clifton-Brown) spent considerable time talking about widows.

Mr. Clifton-Brown: The hon. Gentleman misheard me. I was talking about married women who have reached the age of 60, rather than 65, and are officially able to retire and claim the state pension, but who, under these provisions, would be unable to claim the older person's married couples allowance. That seems wrong.

Mr. Gardiner: The hon. Gentleman did talk about that, but he also talked about widows. When he was referring to whether women between 60 and 65 can claim the married couples allowance, Labour Members tried to make the point that women cannot claim that allowance because it is men who claim. If the hon. Gentleman had the courtesy to listen to my response to his intervention, he might be enlightened as to that fact, but clearly he is oblivious because he is engaged in conversation on the Back Benches, so he is unable to take advantage of that information.

The hon. Gentleman also said that nobody is about to rush to the altar to get the married couples allowance, and many of my hon. Friends and I entirely agree with him. However, in the very same breath, he said that the Government should give the married couples allowance to encourage marriage. If he accepts that no one gets married on account of the allowance, how can it be deemed to be responsible for more marriages taking place than would otherwise occur, or for maintaining marriages that would otherwise break up? The hon. Gentleman supplied no evidence that the allowance causes or maintains marriages, because there is none whatsoever.

The hon. Member for Arundel and South Downs spoke of the family, and his commitment to that institution is well known in the Committee and elsewhere. What sort of family is he committed to? I grew up in a single parent family because my father died when I was eight. I was later part of a family of siblings because my mother died shortly thereafter. Is the hon. Gentleman saying that families should receive state benefits only if they happen to have the good fortune of having two parents who are still alive to maintain the unit?

Mr. Brazier: If the hon. Gentleman had sat through the weeks of debate in Committee considering the Welfare Reform and Pensions Bill with the hon. Member for Colne Valley (Kali Mountford) and myself, he would have heard what many of us have to say about the position of widows.

Mr. Gardiner: With the greatest respect, that does not answer my question. The tenor of the hon. Gentleman's

[Mr. Gardiner]

speech was to ask, "Why does marriage matter?" Presumably, we share a consensus that marriage does matter, and the institution of the family matters, because it is the vehicle for raising children. We believe that it is good for two parents to raise children, but we should not penalise families simply because they do not have two parents to raise children. That would be absolutely abhorrent. If we accept that marriage is so important because it is the vehicle for raising children, it is absolutely ridiculous to think that we would take away the allowance on the basis of a partner being widowed.

I am grateful, Sir Alan, for the latitude that you have given me to respond to the points that have been made in the debate.

5.15 pm

Mr. Brazier: On a point of order, Sir Alan. The hon. Gentleman has alluded to me on a matter relating to the next debate. Can I, through you, say to the hon. Gentleman that I shall respond to his point in the next debate?

The Chairman: The hon. Gentleman knows that that is not a point of order, but I am sure that the hon. Member for Brent, North (Mr. Gardiner) heard what he said.

Mr. Gardiner: The Government seek to ensure, through the changes made in the Budget, that adequate resources go to the poorest pensioners. That policy includes abolishing the married couples allowance for future pensioners, while maintaining it for those who have reached 65 or 75 by the dates specified in the Bill. If that means that Government money is being targeted and better used through the package of £1 billion for pensioners—and particularly, when we consider the married couples allowance, for the children's tax credit—I, for one, wholeheartedly welcome the measures.

Dawn Primarolo: Sir Alan, you told the Committee that you would prefer the wider debate on the changes to the married couples allowance and the creation of the children's tax credit to be dealt with in the debate on the next amendment, so I shall respond then to some of the issues that have been raised in this debate.

My hon. Friend the Member for Brent, North (Mr. Gardiner) made an excellent contribution about the importance of supporting families with children and of understanding that, when so many millions of children live in poverty in this country, that must be the Government's priority. We can, if hon. Members wish, return to that subject in more detail in the next debate.

I look forward to hearing, later in the year, the right hon. Member for Hitchin and Harpenden (Mr. Lilley) apologising at a dinner somewhere for his party's opposition to the abolition of the married couples allowance and the creation of the children's tax credit. The remarks made by the Leader of the Opposition in the *Daily Mail* on 29 January 1998 sum up precisely the Government's intentions, which were supported by the remarks of the hon. Member for Kingston and Surbiton (Mr. Davey). The Leader of the Opposition said

"previous Conservative governments made a mistake in phasing out the married couple's allowance. We wanted to stop well off couples without children getting a tax allowance they did not need. But in doing so we hit families raising children on tight budgets. It is those families that need our help most."

That is precisely what we propose in the Bill.

The Leader of the Opposition, in his response to the Budget, generously went on to support the Government's proposal to introduce the children's tax credit.

The right hon. Member for Wells (Mr. Heathcoat-Amory), who has apologised to me for the fact that he is unable to be present for my response—he probably mentioned that fact to you as well, Sir Alan—referred to the previous Government's commitment. He made a mistake when he said that they were proud of their record of cutting personal allowances. When pressed by the hon. Member for Kingston and Surbiton, he did not get his answer right, but we look forward to hearing a correction. However, he failed to explain why, in his Budget speech in 1992, the then Chancellor, Norman Lamont—now Lord Lamont—described the married man's allowance, the predecessor of this allowance, as "the male chauvinist allowance", and why the right hon. and learned Member for Rushcliffe (Mr. Clarke) described it as an anomaly in the tax system. That was the previous Government's justification for reducing married couples allowance substantially—leaving us a chaotic system surrounding it—while they presided over a massive growth in child poverty.

The right hon. Member for Wells and several Conservative Members sought to confuse the debate—some of them obviously do not understand the current qualifications for claiming married couples allowance—by making it sound as though the Government are attacking pensioners and have broken their promises. If the right hon. Gentleman takes an unclouded look at the Bill, he will see that clause 28 protects pensioners who are currently receiving the married couples allowance. It is quite right that we should protect those senior members of our community—senior citizens who are already in receipt of the married couples allowance—by maintaining their position.

Mr. Brazier: Will the Paymaster General explain the difference between those people and people who are only a year or two from retirement? What possible changes does she think that people coming up to retirement can make to their retirement provision at that late stage?

Dawn Primarolo: First, I remind the hon. Gentleman that the overall Budget package provided £1 billion to pensioners through the minimum income guarantee, the £100 heating allowance and by ensuring that we keep the married couples allowance for those who are already retired. Moreover, as the hon. Member for Kingston and Surbiton said—I hope that I am not embarrassing him by drawing too much on his speech—an earlier clause of the Bill provides protection in terms of indexation and allowances.

I know that the hon. Member for Canterbury (Mr. Brazier) feels strongly about the issues surrounding marriage, which we shall discuss when we debate amendment No. 8, but it is cruel for Conservative Members to frighten those who are already retired by making it sound as though something is being taken from them when it is not.

I believe that, when the hon. Gentleman reads the record, he will realise that it is bizarre for the Conservative party to table an amendment that accepts abolition of the married couples allowance for under-65s

but provides that the couple may claim it when they reach the age of 65. The hon. Gentleman spoke about signals sent from the Committee. If the amendment were passed, the signals that it would send would create misunderstandings on an unimaginable scale.

Despite the hon. Gentleman's very strong views on marriage—which I respect, although I disagree with them—when the Conservative party was in government, he voted year on year for a policy that reduced the importance of the married couples allowance and the contribution that it made.

I remind the Committee that the married couples allowance has its origins in 1918, when men received an allowance because their wives did not work, in recognition of the extra costs in such cases. Seventy per cent. of married women now work. As my right hon. Friend the Chancellor has pointed out, since then, a chaotic system has developed, in which a two-earner family with children is better off than a one-earner family with children. That cannot be right, even on the basis of what the hon. Member for Canterbury believes.

Mr. Flight: Will the hon. Lady give way?

Dawn Primarolo: I am happy to give way to the hon. Gentleman, because I want to deal with his point about whether men over 65 will now marry younger women in order to claim both allowances. I do not know what his life is like, but I have not come across any constituents who have those bizarre determinations.

Mr. Flight: The Paymaster General said that we had the bizarre position—of which she implied that she disapproved—where a two-earner couple enjoyed a much better tax position than did a couple with a single earner. If that is the case, why on earth have the Government framed the new child tax credits in such a way as to be extremely harsh on the single-earner couple and generous to the double-earner couple, who can still qualify for those credits although their combined income may be nearly twice that of a single earner couple?

Dawn Primarolo: When we debate those clauses, I shall be happy to explain to the hon. Gentleman why his proposition is incorrect. However, if he studies the Bill—especially clause 28—he will find that, in the extremely unlikely event that a man over 65, entitled to claim the married couples allowance, is married to a younger woman with children, who is therefore entitled to receive the children's tax credit, the Bill requires them to choose which one of the allowances they receive.

One point that came up repeatedly needs answering now. Conservative Members argued that there was a entitlement gap—that we took away the married couples allowance and that no one benefited as a result. I remind them again that, from October, the working families tax credit payments will be increased to compensate particularly the low-paid, especially families that are under pressure because their budgets are so low; that the child premium in income support has been increased this year, also specifically targeted on helping those families in most difficulty, with low budgets; and that the child benefit increases—those announced for this April and the additional one for next April—will help families with children, especially families under pressure.

Clause 28 abolishes married couples allowance for couples under 65 but preserves it for couples where the husband or wife has reached the age of 65 before the year 2000-01. That is quite clear in the Bill, and it is just. The hon. Member for Arundel and South Downs (Mr. Flight) misquoted the Chancellor. The Opposition are trying to build up a bandwagon, saying that the Government, or the Chancellor, said things that they did not say. If the hon. Gentleman looks at the record, he will see that the Chancellor rightly said that today's pensioner couples would keep their married couples allowance. That is very clear and I cannot understand why the hon. Gentleman is having difficulty in understanding that sentence or which word is giving him particular problems.

5.30 pm

Abolishing the under-65s allowance for married couples means that we must have a new way of defining the basic married couples allowance so that we can use it for those who are over 65. Clause 28 provides for that minimum level and guarantees that there will be no effect on anyone's tax liability who is now in receipt of the allowance.

It would be a great error if the Opposition insisted on putting into our legislation an amendment that rewarded marriage from the age of 65 onwards but did not address the real stresses and strains in families with children and how families are forced apart because of the poverty that they experience.

When the hon. Member for Buckingham (Mr. Bercow) reads the record of our proceedings, he will realise that the confusion that he was so agitated about, believing that it existed on the Labour Benches, arose from Conservative Members. It was the hon. Member for Arundel and South Downs who suggested that men over 65 would make new arrangements in their life so as to have two allowances. Other Conservative Members suggested that our proposal is a tax on pensioners, when it is not.

I look forward to the next amendments and the next debate, when we can discuss—

Mr. Clifton-Brown: Will the Minister answer my question?

Dawn Primarolo: —in detail the children's tax credit and why the married couples allowance should be abolished. I urge the Committee to reject the amendments.

Mr. Clifton-Brown: Will the Minister give way?

Dawn Primarolo: The point that the hon. Gentleman wishes to raise is one for the next debate. I shall be happy to deal with it then.

Mr. Gibb: The debate has highlighted one of the worst stealth tax increases in the Finance Bill. The abolition of the married couples allowance will cost about 10 million married couples an extra £197 a year in income tax. When that is combined with the reduction in its value to 10 per cent. in the Government's previous Budget, the cost will be an extra £285 a year in income tax. That is from a Government who covenanted solemnly with the British people that they had no plans to raise taxes, particularly income tax. The measure that we are discussing is a straightforward hike that will affect 10 million couples.

[Mr. Gibb]

Increased income tax bills are being introduced by stealth. This hike will raise £1.6 billion next year and £2 billion the year after that.

The sleight of hand is worse. In his Budget speech, the Chancellor of the Exchequer implied that pensioners would be protected from these measures. *[Interruption.]* I will quote the right hon. Gentleman. He said:

"Today's pensioner couples will retain the married couple's allowance." [*Official Report*, 9 March 1999; Vol. 327, c. 183.]

The hon. Lady the Paymaster General quoted "would" and skipped over the word "Today's", implying that the measure would apply to all pensioners. The key word is today, as the hon. Lady said. Tomorrow's pensioners will not retain the married couples allowance despite having made their financial arrangements on the basis that the allowance would remain. Throughout all the reductions in the value of the married couples allowance under the Conservative Government and under the present Government until now, its value had always been retained for pensioners. That is no longer the position. Its value has not been retained for new pensioners. *[Interruption.]*

Labour Members should read what Age Concern has said. It states:

"We are already receiving complaints"—

Dawn Primarolo: Will the hon. Gentleman give way?

Mr. Gibb: I shall finish this point first. Age Concern states:

"We are already receiving complaints from people who will reach 65 just after that date."

That is 5 April 2000. Age Concern continues:

"From April 2000 there will be the anomalous situation whereby people will miss out on an allowance currently worth some £500, simply because their birthday is just after the specified date."

Dawn Primarolo: The hon. Gentleman does himself a disservice when he seeks constantly to mislead the House of Commons and peddles his misrepresentations. My right hon. Friend the Chancellor spoke of "Today's" pensioners, people who are pensioners now, and that is our position. If the hon. Gentleman is so concerned, perhaps he could—

The Second Deputy Chairman of Ways and Means (Mr. Michael Lord): Order. The hon. Lady must not accuse other hon. Members of misleading the House of Commons. She must choose her words very carefully.

Dawn Primarolo: I am happy to withdraw my statement about misleading the House of Commons. I am sure that the hon. Gentleman was doing it unintentionally. He just manages to do it in every debate, using the same words. He should now acknowledge that my right hon. Friend the Chancellor said "Today's" pensioners.

Mr. Gibb: That is not what the hon. Lady said.

Dawn Primarolo: The record will show that that is what I said. That means what it says and there has been no betrayal, as the hon. Gentleman has suggested.

Mr. Gibb: All that is rich from a party in government that is introducing stealth tax after stealth tax. The impression is given— *[Interruption.]* The hon. Lady should read her correspondence. Instead of getting her civil servants to write and sign her letters, she should read some of it, including the correspondence that she receives. She should read what Age Concern is saying.

Dawn Primarolo: The hon. Gentleman knows full well that I sign my correspondence, and he should withdraw that remark. I sign my ministerial correspondence that goes out in answer to points raised by hon. Members. The hon. Gentleman should withdraw his remark.

Mr. Gibb: I have letters in my file from the hon. Lady which she has not signed. Many Members received letters from her when she was the Financial Secretary which she had not signed. If I am wrong, I shall withdraw my remarks. *[Interruption.]* I withdraw. I accept her comments but I know very well that there are letters that Members have received, and constituents, that have not been signed by the hon. Lady.

After April next year, married people turning 65 will have to pay an extra £500 a year in income tax. There will be no compensatory children's tax credit for the vast majority. In addition, 300,000 pensioners will lose £75 in dividend tax refunds. Almost 1 million pensioners will find themselves paying higher income tax on their savings income than their marginal rate of income tax. All that the Paymaster General can say in return is that there is a £100 winter fuel allowance. The Government take £500 with one hand and give £100 with the other. The message is clear: do not grow old under this new Labour Government.

My hon. Friend the Member for Cotswold (Mr. Clifton-Brown) was right when he said that a married couple approaching retirement will suffer doubly. First, they will have little chance of qualifying for children's tax credit, although last weekend I found that I had a retired constituent over 65 who had a young child from a second marriage. Secondly, the married couple will have no entitlement to the higher rate of the married couples allowance to which they thought they would be entitled.

Other hon. Members have made some valuable points. They include my hon. Friend the Member for Arundel and South Downs (Mr. Flight), who said that people make careful plans for their retirement. He is right. The Government should not give just one year's notice for the reduction in value of the allowance. It is right also that the elderly population have—

Mr. Gardiner: Will the hon. Gentleman give way?

Mr. Gibb: No, I will not give way. There is no time to do so.

My hon. Friend the Member for Arundel and South Downs was also right to say that the elderly population has rumbled the Government. It has done so on the minimum income guarantee and on the dividend tax credit. It is rumbling the Government on the savings tax and it will rumble them on the abolition of the married couples allowance for pensioners.

The Government's decision to abolish the married couples allowance has gone down badly with the public. It is yet another Labour stealth tax, and it is being seen as such. Their decision has also gone down especially

badly with those approaching retirement. The Chancellor has no doubt received, as the Paymaster General is also receiving, no doubt, many letters of complaint. I shall quote just one from Mr. J. R. Brett of Bromley, who writes:

"As I shall be 65 on 9th May next year this will mean that for the rest of my life, on today's figures, I shall, in retirement, pay £12.80 more in tax than other pensioners of equal age albeit five weeks older. This is not social justice. ... It is one thing to juggle with Allowances for those in work, but quite another to penalise pensioners who are unable to make any provision for the loss of such a large part of their income in retirement."

The clause creates social injustice and I urge the Committee to mitigate that injustice by voting for the amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 127, Noes 306.

Division No. 153] **[5.39 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Cash, William
Chope, Christopher
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton-Brown, Geoffrey
Collins, Tim
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Donaldson, Jeffrey
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gillan, Mrs Cheryl
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Greve, Dominic
Hague, Rt Hon William
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson Smith, Rt Hon Sir Geoffrey
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lidington, David
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
MacKay, Rt Hon Andrew
McLoughlin, Patrick
Madel, Sir David
Major, Rt Hon John
Maples, John
Mates, Michael
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Norman, Archie
Ottaway, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Shepherd, Richard
Simpson, Keith *(Mid-Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Mr. Stephen Day and
Mrs. Caroline Spelman.

NOES

Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Armstrong, Rt Hon Ms Hilary
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Ballard, Jackie
Barnes, Harry
Battle, John
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom
Breed, Colin
Brinton, Mrs Helen
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Cable, Dr Vincent
Caborn, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Rt Hon Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Coleman, Iain
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cryer, John *(Hornchurch)*
Cunningham, Rt Hon Dr Jack *(Copeland)*
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce

Gunnell, John
Hall, Patrick *(Bedford)*
Harris, Dr Evan
Heal, Mrs Sylvia
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hopkins, Kelvin
Howarth, George *(Knowsley N)*
Howells, Dr Kim
Hoyle, Lindsay
Hughes, Ms Beverley *(Stretford)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, Rt Hon Mrs Helen
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lock, David
McAvoy, Thomas
McDonagh, Siobhain
McDonnell, John
McFall, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Michie, Bill *(Sheffld Heeley)*
Miller, Andrew
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mowlam, Rt Hon Marjorie
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
Oaten, Mark
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Neill, Martin
Öpik, Lembit
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quin, Rt Hon Ms Joyce
Quinn, Lawrie
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Robertson, Rt Hon George *(Hamilton S)*
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Ryan, Ms Joan
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, John
Stemberg, Gerry
Stevenson, George
Stott, Roger
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Temple-Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Tonge, Dr Jenny
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Vaz, Keith
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Webb, Steve
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Willis, Phil
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wright, Anthony D *(Gt Yarmouth)*

Tellers for the Noes:
Mr. Mike Hall and Jane Kennedy.

Question accordingly negatived.

Mr. Edward Leigh (Gainsborough): I beg to move amendment No. 8, page 15, line 20, leave out '2000–01' and insert '2001–02'.

The amendment enables us to have what I trust will be an interesting debate on the married couples allowance, what it seeks to do, how it is to be phased out and the timing of that phasing out. I hope that it will also give us an opportunity to discuss whether the tax system should be neutral in determining people's behaviour. That view is commonly held on both sides of the House, but it is not my view. I believe that the tax system has a real role to play in determining people's behaviour and encouraging behaviour and a way of life that is useful to society. That is not to cast a judgment on other sorts of behaviour but to say that, generally, as every research study shows, marriage is a good thing. Apparently, the whole House believes that.

Whether we should take the next step and say that, having determined that marriage is a good thing, we should use the tax system to encourage it is a different question. It happens to be a question to which I would answer a strong yes, because I believe that the tax system has a useful role to play. It can be used in many other areas to encourage share ownership, private health insurance or pensions provision. That happens to be my personal view. I hope that we can discuss that matter in the context of the amendment, because it is very important.

I welcome the belated recognition by the Treasury that, over the years, the tax system has moved against families in favour of single people without dependants, and that move needs to be reversed. I also welcome the attack that the Treasury seeks to lead on child poverty. However, we should use this debate to question the Government more closely on the figures in the Red Book. Abolishing the married couples allowance in the year that is proposed sends out the wrong message. It seems to devalue marriage, and to take money away from families and give it to other taxpayers.

In certain circumstances, the effect of all those complex changes appears to take money away from families who are poorer and give it to families who are better off.

The Second Deputy Chairman: Order. I appreciate that the hon. Gentleman is only just starting his remarks, but I remind him and the Committee that the amendment is specifically about the date of implementation, not the wider issues.

Mr. Leigh: I can deal in a moment with the introduction of the children's tax credit because that is particularly relevant to this amendment. The married couples allowance will be repealed in April 2000 and the children's tax credit will be introduced a year later. In the previous debate, the Minister made it clear that she was hoping to use this debate to discuss the children's tax credit. Let us see how much effect the children's tax credit will have. I do not believe that much will be achieved by having a year's delay between the repeal of the married couples allowance and the introduction of the children's tax credit.

The children's tax credit is a recognition, for the first time since the mid-1970s, of the lower taxable capacity of taxpayers with families. That is a welcome step. However, if we look at it in greater detail, we see not only that it is being introduced a year too late but that it does not solve all the problems that the Treasury would have us believe that it will solve. The children's tax credit will give families £416 a year, which, I agree, compares favourably with the cash value of the married couples allowance. In 1999–2000, the married couples allowance will be £197, but if one looks back to what the value of the married couples allowance was when it was introduced in 1990, one can calculate that it would be worth, in today's money, about £522.

Mr. Geraint Davies: It is not £522 because the previous Conservative Government cut it. It is ridiculous to make those suggestions when the Conservative party made the cuts that bring us to the position that we are in now.

Mr. Leigh: First, we are entitled to look at what is being proposed. Secondly, there is a great deal of difference between cutting something and abolishing it entirely. That is what we are faced with today. It does not help us, when we are dealing with serious matters, if hon. Members trade petty party political points across the Chamber. We are entitled to debate the married couples allowance and to advocate it as a benefit that helps married couples. We should not get too fixed on who reduced it when. Had the hon. Gentleman listened to my remarks, he would have known that I was trying to be fair to the Government. I was not attacking them from the word go, but was congratulating them on what they were trying to achieve by the introduction of the children's tax credit. We do not advance our arguments much by dwelling on the past.

Mr. Brazier: Was not that intervention characteristic of attacks made by Labour Members? Is it not possible that some of the people who voted for them, including traditional Conservative voters, might have wished to see changes in this matter because they were disappointed that the previous Conservative Government did not speak up for marriage?

Mr. Leigh: Exactly. Hon. Members are entitled to put their point of view. We all know that, in the real world in which we operate, there are party disciplines and sometimes one has to vote not necessarily according to one's conscience, but that still allows one to speak up for what one believes in the Chamber. If we cannot speak up in this Chamber, where else can we do so?

I was pursuing the question of the children's tax credit, which is vital to this debate because of the year's delay in its introduction. Many families will not get the credit because it will be gradually withdrawn where one parent is a higher-rate taxpayer. That will not be done in a fair way and, in practice, the proposals will discriminate against married couples. As the proposals stand—the Minister can correct me when she winds up the debate if I am wrong—the CTC will be withdrawn from some families, whereas other families on much larger incomes will get the credit in full. For example, if one spouse is a higher rate taxpayer with an income of £33,000 and the other has nil income, the children's tax credit will be cut. It will be removed completely once the income has reached £38,000. A family with two incomes totalling £64,000—so neither of them is a higher rate taxpayer—may receive the CTC in full. That is profoundly unfair.

6 pm

The Minister must explain the delay between the abolition of one tax benefit and the introduction of another. I hope that she will not regale the Committee with comments about how marvellous the CTC is without explaining that fundamental unfairness. The proposal is grossly unfair and shows no regard for the needs of children. It will also discriminate against marriage, as couples who are co-habiting in a loose arrangement could, through ignorance, misunderstanding or fraud, fail to recognise when liability arises.

In the Budget, the Chancellor is not only ignoring marriage, but is structuring his proposals in a way that disadvantages married couples, especially those who sacrifice income to care for their children or elderly dependants. For the reasons that I have given, I believe that the proposals will encourage fraud. Surely a fairer solution would be to provide for the credit to go to the caring spouse or to allow married couples to pool their allowances and reliefs. This measure does not permit that.

Why is this issue important? The Chancellor of the Exchequer said:

> "The tax system sends critical signals about ... activities that a society wishes to promote or deter." [*Official Report*, 2 July 1997, Vol. 297, c. 311.]

As the Chancellor has said that, the Government must explain to the Committee why there is a year's delay. I can conclude only that, by their decision to end the married couples allowance in the year that it is being ended, the Government are sending a clear signal that there is no value in marriage—certainly in the tax system—for children or for anyone else. That is completely contrary to what other people in the Government are saying.

The Home Secretary's consultation document "Supporting Families" recognises that marriage is still the surest foundation for raising children. In the Budget, the

[Mr. Leigh]

Chancellor highlighted the fact that £4 billion of new money was being made available to families. Much of that new money is tied up in the children's tax credit and the working families tax credit, which no doubt the Minister will make a great deal of when she replies to the debate. I do not pretend to know what is in her briefing documents, but I am sure that that will be the nature of her defence against this attack.

Dawn Primarolo: The hon. Gentleman will know that the creation of the children's tax credit is dealt with in clause 27, which we are not discussing. We are discussing the abolition of the married couples allowance. Although I shall do my best to respond to the hon. Gentleman, I am sure that Mr. Lord will keep me in order. I plead with the hon. Gentleman not to give me an impossible task. If he stays in order, I can deal with everything.

Mr. Leigh: I assure the hon. Lady that I certainly do not want to place so courteous a Minister in an impossible situation.

Whatever is said in defence of the figures in the Budget, the reality is that families, particularly married couples, will receive much less than we were led to believe on 9 March. The Red Book reveals that there is only £400 million of new money for families in 1999–2000, and that there will be a cut of £125 million in 2000–01 and £940 million in 2001–02. That is why the date when the married couples allowance is to be phased out is important.

The Government are shuffling money around. They are taking more from some families and giving it to others. The Government will say that they are taking money from better-off families and giving it to poorer families. That is the nature of their defence. However, research has shown that many families who will lose out as a result of these Budget measures will be worse off than families who will benefit. It is difficult to make one's way through the complexities of the proposals to phase out the married couples allowance and to introduce the children's tax credit and the working families tax credit, but that will be the result.

We were told that the saving in a full year from the withdrawal of the married couples allowances would be sufficient to fund a children's tax credit of £10 a week—not £8 a week as proposed in the Red Book. So families lose out again. Where is that missing £2, and what is being done with it?

The Chancellor and the Paymaster General are claiming that, as a result of the Budget policies, including the scrapping of the married couples allowance, all families will have a minimum income of £200 a week, and that no net income tax will be paid until earnings exceed £235 a week. In his Budget speech, the Chancellor said:

"Every working family will be guaranteed a minimum income. It will be introduced in October . . . at £200 a week—more than £10,000 a year. No income tax will be paid until earnings reach £235 a week."—[*Official Report*, 9 March 1999; Vol. 327, c. 187.]

That statement was repeated in the Red Book, which said that

"no family earning less than £235 a week (over £12,000 a year) will pay any income tax from October 1999."

It was also repeated in the Treasury's Budget press release on Budget day, which spoke about

"a minimum income guarantee of £200 a week for every family with a full time earner."

It was repeated by the Paymaster General in her speech on Third Reading of the Tax Credits Bill.

Although those statements are correct for the majority of families, they are not correct for all families. The Government must deal with that point. They assume that the family will get the working families tax credit. Families do not receive any working families tax credit if they have savings—for instance, following redundancy of £8,000. Why are we discriminating against families who happen to have modest savings?

I agree with the Government that it is right for the tax benefits system to look after lone parents. Many of them are lone parents through no fault of their own, and there is no reason why the tax system should not look after them, but the Chancellor is doing so at the expense of couples. That is the point that we are making, and that is what is unfair. In particular, it is at the expense of married couples who provide greater security for children. That is not an attack on lone parents. If we want to help lone parents, the right way is not to discriminate against married couples.

In the Budget, married couples are disadvantaged at every turn. That is not a fair way of proceeding. Although the Chancellor claims to be introducing a fair tax system, it is one that takes no account of the costs of a second adult. The Government defend their proposals by saying that they can afford to get rid of married couples allowance on that date because of the new and improved working families tax credit. That takes no account of the additional costs of the second adult.

Mr. Hayes: My hon. Friend will have received the same complaints in his Lincolnshire constituency as I have had in my Lincolnshire constituency from married couples who are childless but poor. The problem is exacerbated for elderly or disabled married couples. For those people, there is not simply a gap, but a gulf.

Mr. Leigh: Yes, for people on good incomes there is a gap, but for poorer families there may be a devastating gulf that can put them in real poverty. The other point that we are trying to put across in this debate is that, if one works one's way through the complexity of these proposals, one finds that insufficient account is taken of the costs of children.

The main point that we want to make is that single earner couples are particularly disadvantaged. One partner sacrifices his or her prospects—it is usually her prospects—to stay at home to look after children. Those people will continue to be singularly disadvantaged. The national child care strategy is designed to give parents a genuine choice but, in practice, all the resources will go towards supporting professional child care, and none will be explicitly directed towards carers at home. That is what worries us.

Dawn Primarolo: This Government have substantially increased child benefit, something that the hon. Gentleman's Government failed to do. We have been responsible for the largest increases since the introduction of the benefit. Moreover, the benefit goes directly to the carer, regardless of his or her employment status.

Mr. Leigh: Of course I welcome the increase in child benefit—indeed, I would have to declare an interest if I

did not—but the Paymaster General's intervention does not address the point that we are making. It is a red herring, because child benefit goes to families of all kinds. My point, with which the hon. Lady will probably find it difficult to deal, is that the Budget proposals are directed entirely towards families on relatively low incomes, in which one parent—normally the mother—stays at home. It is not a question of the Budget's being tax neutral, although in my view that is bad enough.

The Second Deputy Chairman: Order. The hon. Gentleman must tell the Committee why the date of implementation is important.

Mr. Leigh: You will be pleased to hear, Mr. Lord, that, having explained the broad philosophy on which my view is based, I am about to deal with the specific question of why the date is important. It is important because the Government have deliberately structured all their proposed changes to ensure that they are introduced—dare I say it—by stealth. [HON. MEMBERS: "No."] It is true. The Government know that the phasing out of the married couples allowance is deeply unpopular, and are trying to convince the nation, and the Committee, that we need not be over-concerned about it because of the increase in child benefit—which will be introduced in 2000—and the introduction of children's tax credit. Children's tax credit, however, will not be introduced until a year after the abolition of the married couples allowance.

I want to know the reason for that gap year. No doubt the Paymaster General will be able to deal with my question very easily. What argument can possibly be adduced to justify a gap that could make things very difficult for couples?

The children's tax credit will disadvantage single-earner couples. The fairness that the Chancellor seeks will not be conferred by a system that withdraws credit from single-earner couples with an income of £38,000. That point, surely, is unanswerable.

The Government face an important task. Those who look at the figures will end up with the unalterable conviction that married couples are being attacked, and that married couples in which one partner stays at home are being attacked particularly viciously. Why are the Government, in order to save a little money—

Mr. Flight *rose—*

Mr. Leigh: I am about to finish my speech, but I will give way to my hon. Friend.

Mr. Flight: In the case of a married couple with six children, the wife may well stay at home to look after those children. It is not just married couples who are likely to suffer; married couples with large families are likely to suffer, and it is they who need support most.

Mr. Leigh: I do not know why my hon. Friend gives the example of a married couple with six children, but that is a situation that I know quite intimately. Therefore, I can only agree with my hon. Friend.

I hope that the Paymaster General will give us some information about the gap year. I also hope that—subject to your strictures, Mr. Lord—she will explain why the married couples allowance—which has figured so prominently in our public life for the best part of the century, should now be abolished.

6.15 pm

Mr. Geraint Davies: What is a "stealth tax"? Is it a stealth tax to abolish a tax, as we intend to do, or is it a stealth tax to eat away gradually at an allowance, as the Tories did? That was stealth. We are being very open about what we are doing: the allowance is being abolished. Let us get that out of the way, and go straight to the nuts and bolts of the amendment rather than meandering. Let us analyse the amendment, and what its impact would be.

The amendment assumes that the introduction of children's tax credit represents a direct substitution for the married couples allowance. That is a false assumption. I do not know whether it is based on mischief, or has been cobbled together on the basis of misunderstanding and ignorance.

Mr. Gibb *rose—*

Mr. Davies: I want to know from the hon. Gentleman whether it was ignorance or mischief.

Mr. Gibb: It was the hon. Gentleman's Chancellor of the Exchequer who said in his Budget statement that he would replace the married couples allowance with the children's tax credit.

Mr. Davies: The hon. Gentleman clearly did not listen carefully enough. It seems that it is a mixture of ignorance and mischief. In fact, the children's tax credit is not a direct substitute for the married couples allowance, and was never intended to be. As the Chancellor said himself, this is a broader strategy, in which we abolish the married couples allowance as part of a policy to support families.

As important as the children's tax credit is the working families tax credit, which kicks in in October 1999. It is part of the same strategy. What about that—and what about the fact that child benefit has already risen by £2.50? Any fool can see that those are not simultaneous, equal substitutions. By virtue of the working families tax credit, the children's tax credit starts in October 1999.

Mr. Hayes: The hon. Gentleman says that those developments are unrelated, but is not the net effect less money for families, including needy families, and more for the Chancellor? Presumably the hon. Gentleman believes in the redistribution of wealth; this, surely, does not represent that in any sense.

Mr. Davies: Families will receive much more money. In the case of the hon. Gentleman, it is ignorance; in the case of the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb), it is mischief.

As part of our strategy, we are introducing the biggest-ever increase in child benefit. The working families tax credit kicks in in October 1999, and, a year or so later, there will be even more good news for families in the form of the children's tax credit. The hon. Member for Gainsborough (Mr. Leigh), who moved the amendment, asked why we had delayed. That suggests that the amendment was, in fact, prompted by ignorance.

[Mr. Davies]

If they think about it, hon. Members will realise that the working families tax credit is quite a complicated system. Do we really want to introduce the children's tax credit at the same time, in view of the practicalities of its administration by the Inland Revenue, and families' ability to understand it enough to claim it? The answer, of course, is no. That is why we are introducing the working families tax credit before the children's tax credit. It makes a great deal of sense.

The amendment implies that a substitution is involved, and accordingly makes assumptions about costs and values. In fact, as has already been said, the children's tax credit is much more valuable than the married couples allowance in the case of married couples with children, and the Government are targeting their resources accordingly. The married couples allowance is worth £197; the children's tax credit will be worth a massive £416. We are giving benefits where they are needed. There have been no substitutions or replacements. Therefore, amendment No. 8 is entirely fallacious.

Delaying abolition by one year would cost the Exchequer £2 billion. Once again, I ask the Opposition from where they would find that money—from stealth taxes, or by cuts to family benefits? The hon. Member for Bognor Regis and Littlehampton—"the Rumbler", as he is now known—will have to explain which it will be. Moreover, if we add that £2 billion to the long-term costs—the discounted value of providing the married couples allowance to all future pensioners—that would have been created by passing amendment No. 1, we should have to know what other stealth taxes and cuts the Opposition are considering.

Thank goodness—for the taxpayer and for families—that the Government are moving ahead with our agenda.

Mr. Brazier: I support amendment No. 8, which is an excellent amendment, for two reasons. The first—my hon. Friend the Member for Gainsborough (Mr. Leigh) has already very strongly made this case—is that the Government plan a one-year gap between abolishing the married couples allowance and introducing the children's tax credit.

The second is that deferring abolition of the married couples allowance for one year would allow a proper period in which to reconsider the tax system's role in properly recognising marriage. Such a period would also allow time for examination of some of the technical arguments made by Labour Members, and for consideration of some of the imaginative ideas of Opposition Members on how the system might better recognise marriage.

My hon. Friend the Member for Gainsborough, in describing the one-year gap between abolition of the married couples allowance and introduction of the children's tax credit, not only touched on an argument made in the previous debate, but anticipated the Minister's argument that the working families tax credit, for example, will provide extra money for families.

Liz Blackman (Erewash): When the previous Government significantly reduced the married couples allowance, was not their "gap" strategy to freeze child benefit?

Mr. Brazier: As I made clear in an earlier debate, I shall not defend the previous Government's record on the matter. As someone who has written much stating that the issue lost us a lot of support, I tell the hon. Lady that if she or any other Labour Member went to the polls saying that developing that strand of Conservative policy was the best way forward, full marks to her—but I should like to see the evidence.

Mr. Dale Campbell-Savours (Workington): What does that mean?

Mr. Brazier: It means that cutting the married couples allowance was a mistaken policy, and that it would be an even greater mistake to abolish it.

Mr. Andrew Love (Edmonton): Will the hon. Gentleman give way?

Mr. Brazier: No, I shall not. I have only just started my speech, and I should like to develop my point.

One year after abolition of the married couples allowance, the children's tax credit will be introduced. The CTC and the working families tax credit—which will already be in place—are both means-tested benefits. I know that you, Mr. Lord, would stop me if I were to develop that point at length. However, Labour Members addressed the issue in the previous debate, and I should like to make the point that we are debating not only the issue of putting money into people's pockets, but the signals that we are sending in doing so.

The WFTC will cause vast numbers of families to face huge marginal tax rates and benefits withdrawal. The married couples allowance is a universal measure, and it creates no such traps. Moreover, as has already been said, the married couples allowance benefits most those who are the lowest paid. The wealthy do not notice an extra pound or two. Those who most notice that money are those who are close—but not quite close enough—to the benefits entitlement level.

Mr. Gardiner: If it is true that those who do need the allowance appreciate it, and that the wealthy do not notice it, should not the Government be targeting resources on those who need the allowance and will appreciate it, and not continuing to provide it to those who—in the hon. Gentleman's own words—do not notice it?

Mr. Brazier: I do not think that the hon. Gentleman heard an earlier point that I made—which I shall repeat briefly. By practising such targeting, one causes the exact problem identified by many hon. Members—including the right hon. Member for Birkenhead (Mr. Field), and, famously, the late Sir Brandon Rhys Williams, a distinguished Conservative colleague—and recognised by a huge spectrum of opinion outside the House: tapers that cause all the problems that I mentioned earlier. However, I must now speak to the narrow terms of the amendment.

The one-year gap is the first reason that I oppose the measure. Those who will most keenly feel the gap's effect are not those on income support or those at the very bottom of the benefits eligibility scale, but those who are a little above eligibility. They will lose a universal benefit, but, for a full year, will not receive CTC. Consequently, they will be less well off. Although I accept that we have to consider the overall cocktail, the working families tax credit will not make up for the problem of tax changes

and benefits withdrawal, especially—as I said in the earlier debate—for couples receiving housing benefit. The one-year gap is of the Government' own making, although, as my hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibbs) said, the Chancellor was less than clear in describing it in his Budget speech.

As I said, my second reason for supporting the amendment is to give the Government a year to think again about the structure of any type of marriage allowance. Incidentally, the rather patronisingly termed "married man's allowance" was only comparatively recently renamed the married couples allowance.

Some Labour Members expressed technical objections to the current structure of the married couples allowance, and I have absolutely no doubt that we shall revisit those objections when the Minister replies to the debate. Labour Members described how some non-married people benefit from the allowance. Some Opposition Members, including the Leader of the Opposition, have made the point that the allowance would be better if it were transferable.

If we deferred the measure's implementation for a year, we could consider how we might better arrange structures for marriage support. It would be totally wrong for the House to send the signal that it does not think that marriage should be recognised in the tax system.

It is worth reiterating the point made by the Home Secretary, who is strongly committed to addressing the issues of family breakdown and its effect on young people. He said:

"marriage is still the surest foundation for raising children."

If the Home Secretary believes that, why, oh why, do the Government want to abolish the married couples allowance? Why not allow an extra year to think about a better structure for recognising marriage?

Mr. Gerald Howarth (Aldershot): I apologise to my hon. Friend, as I shall shortly have to leave the Chamber to attend a meeting with our right hon. Friend the Leader of the Opposition. The Red Book mentions only "families". There is an aversion among Labour Members, and particularly in the Prime Minister's own mind, to mentioning the M-word—marriage. The Red Book makes no reference to marriage. The Government's measures are directed at children, but specifically avoid trying to promote marriage—although the Home Secretary says the Government are intent upon doing so.

6.30 pm

Mr. Brazier: I am most grateful to my hon. Friend for anticipating my point. I should like to make two observations, the first of which stems clearly and directly from his words. He is absolutely right to say that it is extraordinary, especially given that the Home Secretary has bravely spoken of the importance of marriage to the system, that we should phase out the married couples allowance instead of delaying at least for a year and trying to replace it with a better structure.

Let me share with the Committee a single statistic, which can be presented in two interesting ways, which illustrate just how critical marriage is to child raising and why it would be worth taking an extra year to reconsider abolishing the married couples allowance.

The hon. Member for Kingston and Surbiton (Mr. Davey) quoted from "Social Trends 1999". My information comes from the Library's analysis of two documents, one of which is "Social Trends 1999". I asked the following question: if a child was born 10 years ago to a married couple and if a child was born 10 years ago to an unmarried couple living in an allegedly stable relationship, what chance would there be that the parents would still be together today? The answer was 81 per cent. in respect of the former case, and a mere 15 per cent. in the latter case, unless the couple had got married during that 10 years.

If one turns the statistic the other way round—*[Interruption.]*

The Second Deputy Chairman: Order. We cannot have casual conversations across the Chamber. I remind the hon. Gentleman that we are discussing specific dates and I would be grateful if he returned to the amendment.

Mr. Brazier: I would be grateful for one extra sentence on this, Mr. Lord.

If one turns the statistics around, they reveal that there is a 91 per cent. chance that the unmarried parents will either get married or split up within 10 years. That is why we need an extra year to think about the proposal.

Mr. Love: Will the hon. Gentleman give way?

Mr. Brazier: In a moment.

The statistics were provided to me by the Library—

Mr. Gardiner: Will the hon. Gentleman give way?

Mr. Brazier: I should be grateful if the hon. Gentleman would let me finish my point. I said that I would give way to the hon. Member for Edmonton (Mr. Love). I have been generous in giving way and have already given way three times in seven or eight minutes.

As I said, the second case for delaying for a year is that it would provide breathing space to allow the House to consider again whether or not it wants to cast aside the best method of raising children.

Mr. Love: I thank the hon. Gentleman for giving way. I have some difficulty in understanding the relevance of his argument to the married couples allowance. Can he give the Committee any evidence of the role of the married couples allowance in maintaining marriages in this country?

Mr. Brazier: If I reply to that point, I shall risk being out of order. It has been a feature of both of this afternoon's debates that Conservative Members trying to make the case for particular amendments have been challenged by interventions from Labour Members that go well beyond the amendments, so that we are bound to go beyond the amendment in replying to them. However, I shall answer the hon. Gentleman. Given the overwhelming evidence that there is more likely to be a stable family when parents are married and that married parents are much more likely to stay together, it is at least a desirable objective that we should encourage marriage.

I would turn the hon. Gentleman's point around and ask him the following question: does he or any other hon. Member present in the Chamber really believe that the measures in a Budget have no effect at all on behaviour? If he does, I am not sure why we bother to provide tax

[Mr. Brazier]

reliefs of one sort or another if we do not think that they affect behaviour. I am certain that many of my constituents, not all of whom support the Conservative party, see the decision to abolish the married couples allowance that is embodied in the clause—and which the amendment would defer for a year—as a severe blow against the single most important institution in the country.

Mr. Healey: The hon. Member for Gainsborough (Mr. Leigh) has tabled a narrow amendment, but introduced a rather broader debate. To that extent, he has done the House and this Committee a service.

Ultimately, one's assessment of the married couples allowance and the amendment proposing a year's delay before it is abolished depends on the view one takes of the fiscal and social purposes of the tax system in general and the married couples allowance in particular. It raises two questions. The first is whether one agrees with using the tax system to pursue particular policy aims, and the second is whether a particular tax break or allowance meets those objectives.

I believe that the tax system should support family life and not just marriage and that our first concern in providing that support must be the children, particularly the 4 million children who are growing up in poverty. The abolition of the married couples allowance, the introduction of the children's tax credit, the working families tax credit and a range of other measures have precisely that aim.

Of course, the married couples allowance is a tax credit and the same flat rate linked allowances are also payable to married couples, single parents and unmarried parents living together. In particular, as the married couples allowance can be paid out at twice the rate, individually, to separating or divorcing couples during the year of their separation, it cannot be said that it encourages or reinforces marriage. This afternoon, hon. Members on both sides of the Committee have recognised that people marry for reasons other than tax. Therefore, delaying the proposal is not the answer.

The abolition of the married couples allowance is overdue and should not be delayed as amendment No. 8 proposes. The original rationale for its predecessor, the married man's allowance, was that, in 1918, when it was introduced, marriage imposed additional burdens that needed to be recognised by the tax system. In those days, when two people got married, they became dependent on one salary. Women almost invariably gave up work when they married. That is no longer the case, as the Paymaster General pointed out during our debate on amendments Nos.1 and 2—70 per cent. of married women now work. Therefore, marriage no longer results in a fall in couples' joint income or an increase in costs or financial penalties. Indeed, one could argue that married couples without children are often better off than when they lived separately.

However, marriage has a bearing on the tax system when it has a bearing on earnings capacity. Very often—although not exclusively—marriage results in children, and women often take a career break to have, and care for, their children. At that point, there is greater dependency and increased costs and there is a case for more support from the tax system. It is precisely where my right hon. Friend the Chancellor has stepped up support and proposes to do so further with large increases in child benefit and the introduction of the children's tax credit and the working families tax credit.

The clause, if it remains unamended, will implement the decision to end the basic married couples allowance. It also specifies the relevant dates for that implementation. Essentially, it takes to their logical conclusion the changes to the MCA introduced by successive Tory Chancellors, who, by progressively reducing the allowance from 40 per cent. to 15 per cent., were well on the way to the step proposed in the Bill.

Amendment No. 8 would simply delay the logical action that the Government propose, which is based on the November 1993 observation by the right hon. and learned Member for Rushcliffe (Mr. Clarke), who was then Chancellor of the Exchequer and who said, quite candidly and characteristically, that the married couples tax allowance was a "bit of an anomaly". The amendment would frustrate the Government's intention with clause 28, which is part of a wider move to redefine the nature and purposes of tax breaks for families and to redirect resources better to support those families and children who have extra costs and real needs.

The Government's plans are clear. There is no case for delaying the date of implementation, and I urge the Committee to oppose amendment No. 8.

Mr. Edward Davey: I agree with many of the arguments advanced by the hon. Member for Wentworth (Mr. Healey) against the amendment and against delay. He is right to say that the married couples allowance is now outdated, and he was right to recall that the former Chancellor, the right hon. and learned Member for Rushcliffe (Mr. Clarke), termed it an anomaly. The money currently paid out in the married couples allowance is compounded by the tax revenue that the Exchequer thereby forgoes. The Government's proposals go some way towards using that money more effectively to support families and their children.

The faults in the stance of Conservative Members on this matter were exposed when the hon. Member for Gainsborough (Mr. Leigh) compared the tax incentive for marriage—which is what he considers the married couples allowance to be—with the tax incentives given for taking out pensions, or for employee share ownership. I suggest that marriage is not a financial undertaking. It happens for many reasons, the least of which is financial rationale.

It is sensible to have financial incentives for financial transactions such as pensions or share ownership, but not for something that is completely different. That is why the abolition of the married couples allowance should not be delayed.

Mr. Leigh: That is a fair point, but I am sure that the hon. Gentleman will agree that the tax system has been used to encourage home ownership for years. That is much more than just a financial transaction: it is the most important element in people's lives, after their personal family life. The tax system can be used to encourage behaviour that society considers useful, as society considered it useful to encourage home ownership.

Mr. Davey: I am afraid that the hon. Gentleman only emphasises my point. The problem with mortgage tax

relief is that it hurts people on low incomes. Such people often cannot get the benefit of it, and it has distorted the housing market so that social and rented housing has been less affordable. Therefore, the relief ran counter to the aim of helping families on low incomes.

One of my key arguments in this debate is that the married couples allowance did not assist marriage or families. Like the hon. Member for Gainsborough, I believe that we need a set of policies to promote marriage and to keep families together, but we should not look to the tax system to achieve them.

In this debate, Conservative Members have put forward four fallacies about family policy. First, they are considering only one aspect of public policy and ignoring a range of matters that are much more germane to the promotion of the family. For example, they have forgotten the benefits system—family credit, child benefit and housing benefit, and so on. Many of those aspects of public policy are far more relevant to the aim of sustaining families and the institution of marriage.

6.45 pm

Other elements that seem to have been ignored include education policies governing school hours, the national curriculum and our attitude to sex education. Also important are employment policies with respect to child care, parental leave and working hours. Those areas of public policy would be far more fruitful for the promotion of the family. Often, families are torn apart because their members rarely meet, with parents hardly ever seeing their children or each other because they work such long hours outside the home.

The Second Deputy Chairman: Order. I wonder whether the hon. Gentleman can now relate his remarks to the date of implementation.

Mr. Davey: I take your direction in this matter, Mr. Lord, but I make these points because I believe that the married couples allowance is outdated and should be got rid of as soon as possible. We should pursue other policies to promote the family and marriage. The sooner that the MCA is abolished—and the sooner that the resources spent on it are used elsewhere—the better. I know that my initial remarks were some way off the topic, Mr. Lord, but they were germane.

Far more important than the retention of the married couples allowance is the support that the Government give to relationship counselling, especially to Relate, the former Marriage Guidance Council. Government support for such counselling would go much further towards achieving the objectives of the hon. Member for Gainsborough.

The second fallacy trotted out in the debate is that people marry for tax reasons. If that were true, the divorce rate would not have risen and people would not marry increasingly later in life. As the section on household and families in "Social Trends 1999" states:

"Between 1971 and 1996 the average age in Great Britain at first marriage rose from 25 years to 29 years for men and from 23 years to 27 years for women."

If the married couples allowance had given people an incentive to get married, and thus supported the institution of marriage, the trend would have been in the opposite direction.

Mr. Brazier: The married couples allowance fell in that period, so if the direct linkage that the hon. Gentleman seeks does in fact exist, the argument is exactly the other way around.

Mr. Davey: For most of that period, the allowance did not fall, and in some Budgets it was increased above indexation. I am afraid that the hon. Gentleman's point is therefore not valid.

Mr. Brazier: Except for one year, at no time did the allowance go up by more than the combined rate of prices and economic growth. As a proportion of income, it did not rise, and in several of the years it fell. If anything, the argument is slightly against the hon. Gentleman, whose point could stand only if the married couples allowance had risen consistently in each year of the period that he has quoted. For my sins, I used to be a professional statistician and I urge the hon. Gentleman to think about what he is suggesting.

Mr. Davey: We could bandy about our recollections of when Budgets put the married couples allowance above indexation and when they did not, but the truth is that, in the period to which I referred, the average age at marriage rose. The supposed tax incentive in the allowance had no contrary effect.

It is symptomatic of many of the attitudes to social policy among Conservative Members that they are very atomistic in their approach. Conservative Members look at such matters in the same way as they look at balance sheet calculations. People's lives are not like that. People do not take decisions in that narrow, financially driven way. Decisions are taken for many other reasons.

The third fallacy, and another reason why married couples allowance should be abolished this year, is the apparent belief of the Conservatives that it has been a good way to support marriage and the family. The record does not show that to be so. Indeed, Conservative Chancellors did not think so. It is a mystery why Conservative Members are not more shamefaced about all this. When their Chancellors reduced the value of the married couples allowance, they did not often redeploy the saved resources into family friendly policies such as increased child benefit or child care support.

Mr. Brazier *indicated assent.*

Mr. Davey: I am pleased that the hon. Gentleman has the honesty to nod in affirmation. The Conservatives must at least admit that the Government are putting resources into support for children and families.

The hon. Gentleman said that one reason for Conservative opposition to the delay was that the children's tax credit was not being introduced until next year. However, the Conservatives seem conveniently to have forgotten that child benefit has been increased, and will be increased further. The working families tax credit is also coming in, as is the child care tax credit. A back-of-an-envelope calculation would show that families

[Mr. Davey]

with children are far better off as a result of that package of measures than they would be if we had simply retained the married couples allowance.

That is not to say that the Liberal Democrats have no criticism of the Government's family policy and the collection of tax benefits that they are giving to families with children. As I said on Second Reading, they are producing a complex system of support for families with children, including child benefit, the children's tax credit, working families tax credit and the child care tax credit. People are confused about this complex system of support. However, the Government are giving support, and we welcome the changes to that extent.

The Liberal Democrats will vote against amendment No. 8 because the Government are following the logic of their predecessors by saying, as Conservative Chancellors admitted, that the married couples allowance does not achieve the ends that people seek. There are far better ways to support marriage and the family. I hope that the Committee will reject the amendment.

Mr. Gibb: I support the amendment and congratulate my hon. Friend the Member for Gainsborough (Mr. Leigh) on his excellent introductory speech. One of the most glaring sleights of hand, pocketing £1.4 billion for the Chancellor, was the putting into effect of the children's tax credit a full year after abolition of the married couples allowance. It is sheer hypocrisy for the Chancellor to claim, as he did in his Budget speech, that the married couples allowance is being replaced by the children's tax credit.

The amendment brings the dates together. The abolition of married couples allowance is just another stealth tax that will increase income tax bills. The delay of a year before introduction of the children's tax credit is a further revenue-raising ruse that will be widely recognised for what it is.

Dawn Primarolo: The hon. Member for Gainsborough (Mr. Leigh) made several suggestions about resources being provided for families. My right hon. Friend the Chancellor made it clear in his Budget speech that family life is the foundation of our society. Our first principle is support for the family, and the interests of children must be paramount.

Many points made in both debates this evening have been about the married couples allowance. It was originally provided for married men, from 1918, in recognition of the fact that their wives were not in paid employment after marriage. That lasted until just before the second world war when the Government of the day advanced tax policy to encourage married women to stay in the labour market or return to it.

After years of amendment and change, the present Government inherited a married couples allowance that is, in fact, restricted neither to marriage nor to couples. Nor, indeed, is it strictly an allowance, as it is a tax credit paid at the same flat rate to married couples, single parents and unmarried parents who live together. Far from recognising marriage, as the hon. Member for Gainsborough suggested, the allowance is so confused that it can even be paid twice—at the full rate to both partners in the year of separation or divorce. A married couples allowance that can pay more for separation or divorce surely cannot be said to uphold the institution of marriage.

Mr. Brazier: The point made several times by Conservative Members is that anomalies of that sort could be ruled out by having a year's delay. There is a serious underlying issue to the amendment, not just a technical objection.

Dawn Primarolo: I shall come shortly to the points made by the hon. Members for Bognor Regis and Littlehampton (Mr. Gibb)—whose incorrect understanding of the Budget we heard, once again, from the Dispatch Box—for Canterbury (Mr. Brazier) and for Gainsborough. The hon. Member for Kingston and Surbiton (Mr. Davey) was quite correct in what he said about what is being provided to families.

First, however, I shall outline some facts. Child poverty has increased dramatically since 1979. The bottom 10 to 20 per cent. of children have lower real incomes now than in 1979. The United Kingdom has one of the highest rates of child poverty in the industrialised world. The Chancellor is seeking specifically to help families with children whose budgets are under enormous pressure. Many of them are trapped in poverty.

The hon. Member for Gainsborough said that the proposals for the children's tax credit were less generous than the married couples allowance would have been if it was indexed. He mentioned £552, but he did not say that the base year for that was 1990. He was referring to the value of the married couples allowance before the Conservative Government made substantial cuts—what we would now, I think, call a stealth tax.

Had the hon. Gentleman made his comparison with the value of married couples allowance inherited by the Labour Government, he would have been talking about something like £274.50 a year. The children's tax credit provides £416 a year, and one need not be a mathematical genius to work out that that is far more generous.

The second Opposition proposition was that there was a gap year—that we were taking £197 a year away from the families with children upon whom Conservative Members have concentrated, and made no other policy changes. The hon. Gentleman said that, as a parent, he was in receipt of child benefit, so I remind him that child benefit was increased by £2.95 this month, and that next April there will be another increase, with the premium for the second child also going up. For families with more than one child, those increases in child benefit alone are worth more than the loss of the married couples allowance—and the Government have done more than that.

The idea that the hon. Member for Bognor Regis and Littlehampton advanced—that there is a gap year, and that we are stealing funds from families—ignores the fact that the working families tax credit will be increased by £4.70 a week from October, before the married couples allowance is taken away. There is no gap year. Resources greater than the married couples allowance, which has yet to be taken away, are being given to families with children. The additions will be paid before the allowance disappears, and they will also receive the children's tax credit.

After all the discussion about marriage, and all the importance that Conservative Members have attributed to the married couples allowance, what is their proposition?

They suggest not that the allowance should be saved, but that its abolition should be delayed for a year—that we should allow the present chaos surrounding the allowance to continue.

7 pm

Presumably, the Conservatives want to vote against the increase in child benefit and the working families tax credit, and the increase in the income support premium, which have all been provided for this year, before the married couples allowance is abolished. That fact does not fit in with their simplistic argument that the Chancellor is taking money away and hiding it in the Treasury rather than paying it out.

It is clear from the information in the Red Book, and from what I have said this evening, that families with children in the greatest need will receive payments from the Government to help them. The best way to help married couples and families is to ensure that they and their children can be lifted out of poverty. What drives families apart is a lack of resources and the grind of poverty, and that is where the Government are trying to help. I urge the Committee to reject the amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 131, Noes 296.

Division No. 154] **[7.3 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Beggs, Roy
Beresford, Sir Paul
Boswell, Tim
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Cash, William
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Donaldson, Jeffrey
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson Smith, Rt Hon Sir Geoffrey
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Major, Rt Hon John
Mates, Michael
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Ottaway, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Shepherd, Richard
Simpson, Keith *(Mid-Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Thompson, William
Tredinnick, David
Trend, Michael
Trimble, Rt Hon David
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Sir David Madel and
Mrs. Caroline Spelman.

NOES

Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, Donald *(Swansea E)*
Armstrong, Rt Hon Ms Hilary
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Ballard, Jackie
Barnes, Harry
Beard, Nigel
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brinton, Mrs Helen
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Cable, Dr Vincent
Cabom, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Rt Hon Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Coleman, Iain
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Fearn, Ronnie

Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harris, Dr Evan
Harvey, Nick
Heal, Mrs Sylvia
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, George *(Knowsley N)*
Howells, Dr Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Llwyd, Elfyn
Lock, David
Love, Andrew
McAvoy, Thomas
McDonagh, Siobhain
McDonnell, John
McFall, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall–Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Michie, Bill *(Sheff'ld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mowlam, Rt Hon Marjorie
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
Oaten, Mark
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Neill, Martin
Opik, Lembit
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pound, Stephen
Powell, Sir Raymond
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Ryan, Ms Joan
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Steinberg, Gerry
Stevenson, George
Stott, Roger
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Taylor, Matthew *(Truro)*
Temple–Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Tipping, Paddy
Tonge, Dr Jenny
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Vaz, Keith
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Webb, Steve
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Willis, Phil
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wright, Anthony D *(Gt Yarmouth)*

Tellers for the Noes:
Mr. Greg Pope and
Mr. David Jamieson.

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

The Committee divided: Ayes 300, Noes 132.

Division No. 155] **[7.18 pm**

AYES

Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, Donald *(Swansea E)*
Armstrong, Rt Hon Ms Hilary
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Ballard, Jackie
Barnes, Harry
Battle, John
Beard, Nigel
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brinton, Mrs Helen
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Cable, Dr Vincent
Cabom, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Rt Hon Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Campbell–Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Coleman, Iain
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Cov'try S)*

Curtis–Thomas, Mrs Claire
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harris, Dr Evan
Harvey, Nick
Heal, Mrs Sylvia
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, George *(Knowsley N)*
Howells, Dr Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lock, David
Love, Andrew
McAvoy, Thomas
McDonagh, Siobhain
McDonnell, John
McFall, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Michie, Bill *(Sheffld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mowlam, Rt Hon Marjorie
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
Oaten, Mark
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Neill, Martin
Opik, Lembit
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pound, Stephen
Powell, Sir Raymond
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Ryan, Ms Joan
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Steinberg, Gerry
Stevenson, George
Stott, Roger
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Tipping, Paddy
Tonge, Dr Jenny
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Vaz, Keith
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Webb, Steve
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Willis, Phil
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wright, Anthony D *(Gt Yarmouth)*

Tellers for the Ayes:
Mr. Greg Pope and
Mr. David Jamieson.

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Beggs, Roy
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Cash, William
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Donaldson, Jeffrey
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Greve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*

Jenkin, Bernard
Johnson Smith, Rt Hon Sir Geoffrey
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Major, Rt Hon John
Mates, Michael
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Ottaway, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Shepherd, Richard
Simpson, Keith *(Mid–Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Thompson, William
Tredinnick, David
Trend, Michael
Trimble, Rt Hon David
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Noes:
Sir David Madel and
Mrs. Caroline Spelman.

Question accordingly agreed to.
Clause 28 ordered to stand part of the Bill.

Clause 99

STAMP DUTY ON CONVEYANCE OR TRANSFER ON SALE

7.30 pm

Mr. John Whittingdale (Maldon and East Chelmsford): I beg to move amendment No. 3, in clause 99, page 71, line 5, at end insert—

"(4A) This section shall not apply to properties which are subject to uniform business rate".

The context of the amendment is the increase in the rate of stamp duty from 2 to 2.5 per cent. on transactions valued at between £250,000 and £500,000, and from 3 to 3.5 per cent. on transactions valued at more than £500,000. Since the Labour Government came to power, there have been three tax-raising Budgets, and in each of those Budgets one of the taxes that has been increased is stamp duty.

In his first Budget, the Chancellor raised stamp duty by 50 per cent., from 1 to 1.5 per cent., on property sales valued at more than £250,000, and by 100 per cent., to 2 per cent., on property sales valued at more than £500,000. On that occasion, he tried to justify the increases by claiming that the measure was necessary to reduce volatility in the housing market. The reason he gave in his Budget speech was:

"I will not allow house prices to get out of control and put at risk the sustainability of the recovery. I have therefore decided that it is right to take . . . measures aimed at stability in the housing market."—[*Official Report*, 2 July 1997; Vol. 297, c. 313.]

In fact, the increases had far less to do with stability in the housing market than with increasing tax revenue.

That became clearer when the Chancellor put up stamp duty again in his second Budget. That time, it went up to 2 per cent. on transactions over £250,000 and to 3 per cent. on sales of more than £500,000. There was no mention in his Budget speech of the importance of stability in the housing market; the right hon. Gentleman said only that 98 per cent. of house transactions would be unaffected by the increases. In this year's Budget, the Chancellor has raised the rates for a third time, to 2.5 per cent. on sales over £250,000 and to 3.5 per cent. on sales over £500,000. However, his only attempt to justify the increase in his Budget speech was to say that 96 per cent., rather than the previous 98 per cent., of home sales would be unaffected. The effect of those three Labour Budgets taken together is clear: on transactions of more than £250,000, there has been a tax increase of 150 per cent. and on transactions of more than £500,000, there has been a tax increase of 250 per cent. So much for the Government saying that they have no intention of putting up taxes.

There is a strong suspicion that this year's will not be the last increase, for in the rest of Europe stamp duty or its equivalent is payable at much higher rates.

Mr. Campbell-Savours: Quite right.

Mr. Whittingdale: I am grateful to the hon. Gentleman for confirming that. I understand that the average rate that now applies in Europe is now about 7 per cent., whereas in France, on certain classes of property, it is as high as 18 per cent. Many people believe that the Chancellor is trying to harmonise by stealth. There have been reports that he wanted to put up the rate of stamp duty in this year's Budget by a full 1 per cent., instead of only 0.5 per cent., but that he was dissuaded at the last minute by those who said that it would be too great a blow at one time. There is now a widespread belief that each future Budget will introduce further increases and that the Chancellor has now indicated to our European partners that he intends to increase the rates steadily until they reach the rates of our competitors.

Mr. Clifton-Brown: Is my hon. Friend aware that France recently cut its transaction costs from 18.5 per cent. to 4.5 per cent., because it felt that it was so out of line with the rest of its European partners? Would it not be folly if the UK Government were to increase stamp duty any further, given that we already have the highest property taxation of any country in the European Union?

Mr. Whittingdale: I am grateful to my hon. Friend for that intervention, because I had not known that. It may indeed confirm that there is a general movement throughout Europe to bring rates closer together, and that there is in operation an agenda to harmonise rates of stamp duty. It is even possible that that commitment has already been given by the Chancellor to the Paymaster General, in her capacity as the chairman of the committee on the code of conduct on business taxation.

I am sorry that the Paymaster General is not in her place, but I ask the Financial Secretary to make it clear in her reply that such speculation—which is considerable—is without foundation. Despite the fact that the hon.

Member for Workington (Mr. Campbell-Savours) would like that harmonisation to happen, I suspect that few people in this country share his view and that there would be considerable alarm if the Government did intend to continue to increase stamp duty in each future Budget.

Mr. Campbell-Savours: Can the hon. Gentleman explain why it seems to him so wrong that someone who purchases a property for £500,000 should pay £15,000 to the state, when that tax is the lowest in Europe?

Mr. Whittingdale: That very point is the crux of the amendment, because, overwhelmingly, transactions over £500,000 are not conducted by people buying large houses, but by businesses, so the tax is a tax on business. The Chancellor does not like to admit that.

Mr. Derek Twigg (Halton): Can we take it from that remark that the Conservatives are not opposed to the increase in stamp duty on domestic property sales?

Mr. Whittingdale: I am sorry to disappointment the hon. Gentleman, but the Opposition are completely opposed to that tax increase, because it is a stealth tax increase which is especially damaging to business. Our amendment is designed to highlight that damage.

Mr. Twigg: I do not want to pre-empt the hon. Gentleman's remarks and I apologise if I am doing so, but I want to be clear. Will Conservative Members be voting against the measure?

Mr. Whittingdale: I am happy to confirm that we shall vote in favour of our amendment and against clause stand part.

As I said, when the Chancellor ever mentions the increases, he speaks of them in terms of house sales. Like the hon. Member for Workington, the right hon. Gentleman has tried to give the impression that the tax affects only those who can afford to buy expensive houses. It is worth pointing out that, in many parts of the south-east, £250,000 will not buy an especially large house. Many of those who will have to pay the increases are not fat cats, but, in the main, families who aspire to move to a larger house. Indeed, I am hoping to move house in the near future—

Mr. Love: Declare an interest!

Mr. Whittingdale: That is exactly what I was just doing. If I do move, it is possible that, like a large number of my constituents, I shall be affected by the increases.

Mr. Leslie: Half a million?

Mr. Whittingdale: I should like to point out to the hon. Gentleman that the clause increases the rate of stamp duty on all transactions of more than £250,000. In my constituency, £250,000 does not buy a mansion; it buys a reasonably sized property of the sort in which I suspect the majority of my constituents aspire to live one day.

Mr. Love: Is the hon. Gentleman saying that the majority of his constituents would fall within the category of those buying houses valued in excess of £250,000, despite the fact that, earlier in his speech, he confirmed that my right hon. Friend the Chancellor has said that between 4 and 6 per cent. of house purchases are affected by the increases?

Mr. Whittingdale: I said that the majority of my constituents would aspire to live in such houses. In the area that I represent—and certainly in the areas represented by several of my hon. Friends—the proportion of transactions over that threshold would be considerably in excess of 4 per cent.

There is another equally important point about the way in which the increases will affect people involved in home purchases. Many house sales involve the purchase of new houses—

The Temporary Chairman (Mr. John Butterfill): Order. The hon. Gentleman is straying from the amendment. I am sure that he will wish to address those issues in the clause stand part debate, but I hope that, for the time being, he will confine his attention to the amendment under discussion.

Mr. Whittingdale: I am grateful for your guidance, Mr. Butterfill. I will certainly concentrate on the amendment before us. I was tempted to divert slightly.

However much the Chancellor may pretend otherwise, stamp duty is not payable only on house purchases; it is payable on all transactions that require the transfer of a document. That includes sales and leases of commercial property, goodwill, book debts and intellectual property, such as patents and trademarks. When we debated the Budget initially, I was grateful to the hon. Member for Cambridge (Mrs. Campbell) for highlighting the effect of the increases on the high-technology firms in her constituency that will be severely affected by the rising cost of the transfer of intellectual property in which they specialise.

According to the Government's figures, of all transactions over £250,000, 65 per cent. of the receipts from stamp duty come from commercial property and land transactions. For transactions over £500,000, 80 per cent. of receipts come from commercial property and land transactions. As I said earlier, this is overwhelmingly a business tax and businesses will have to pay the majority of the extra £270 million that the increases will raise.

In his Budget speech, the Chancellor made much of the fact that our future depends on enterprise. However, in practice, he is clobbering enterprise through increased taxation. Last year, several organisations representing the commercial property industry commissioned independent research by Arthur Andersen and the London business school on the impact of increased stamp duty rates on the commercial property sector. That research showed that commercial property is a hugely important component of our economy and contributes about 10 per cent. of our gross domestic product. It is valued at about £500 billion in the private sector and a further £110 billion in the public sector.

Moreover, the analysis also revealed that there is a multiplier effect and that changes in the level of stamp duty have a disproportionate impact on commercial property prices. As a result, it is estimated that a 1 per cent. increase in stamp duty will wipe £25.6 billion from

[Mr. Whittingdale]

the capital value of commercial property. If a real rate of growth in rents of 2.5 per cent. is assumed, the figure increases to a £43 billion decline in the total value.

That is particularly serious as many industrial and commercial companies use the value of their commercial property assets as collateral for debt finance. It is difficult to estimate the precise value of the total amount of loans secured on commercial property assets, but research suggests that it is something like 50 per cent. Therefore, a significant drop in commercial property values is likely to have a measurable effect on the ability of firms to raise loan finance. That may be particularly significant for small and medium-sized enterprises.

Mr. Campbell-Savours: Does it not mean also that the tax will cut into the spiralling commercial rents that are the subject of many protests to Members of Parliament from small shopkeepers throughout the country who simply cannot afford to pay rents in the commercial sector? Therefore, the tax is extremely helpful in that sense.

7.45 pm

Mr. Whittingdale: I am interested to see the hon. Gentleman defending these increases—but perhaps it fits in with his earlier suggestion that the rates should continue to increase in future Budgets. Perhaps the Minister will confirm whether she also believes that it is desirable to tax the commercial property sector even more. However, the Government have not offered that justification so far.

Mr. Shaun Woodward (Witney): The hon. Member for Workington (Mr. Campbell-Savours) would like to see lower property rents, but the measure will have completely the opposite effect. The cost will force rents up because, effectively, it is an additional tax on those rents.

Mr. Whittingdale: My hon. Friend is right: stamp duty is payable on leases as well as on sales, and therefore it will have the effect of increasing costs. There will also be a corresponding effect, to which I have referred, on the overall value of commercial property. I fear that it would take a great deal of economic research by experts considerably more knowledgeable than me to work out the overall impact of the changes. However, I am sure that it could be modelled, and it would be interesting to conduct such an analysis.

In talking about the research by professional economists into the impact of these changes, it is worth drawing the Committee's attention to the Arthur Andersen report's conclusion that the public sector will be a net financial loser from a stamp duty increase. The public sector holds a large property portfolio—I said earlier that the total value of commercial property owned by the public sector is £110 billion—and it is estimated that it will suffer a capital loss of between £5 billion and £11 billion as a result of a 1 per cent. rise in stamp duty. That capital loss vastly exceeds the additional revenue. If one applies a reasonable discount rate to the future stream of revenue that will result from increasing stamp duty and compares that with the reduction in the overall value, one can see that there is a substantial net loss to the public sector.

Mr. Leslie: The hon. Gentleman has surely calculated the effect on Exchequer yields if his amendment were to be carried. What would the cost be?

Mr. Whittingdale: I am not sure of the exact revenue implications because there was some dispute about that figure when we debated a similar amendment to last year's Finance Bill. I shall be interested to hear the Minister's view. However, for the reasons that I have given, I suspect that the cost might be rather less than some would suggest.

Other important aspects of this tax show why it is so damaging. We have raised these matters in previous debates about stamp duty. Stamp duty operates according to what is known colloquially as a "slab" system rather than a "slice" system. That means that, if a transaction is valued at just £1 over the threshold of £250,000 or £500,000, the higher rate of stamp duty will apply not just to the amount above the threshold but to the entire value of the transaction.

Mr. Campbell-Savours: That is good.

Mr. Whittingdale: The hon. Gentleman said that that is good, but it creates potential marginal rates of taxation of 3,750 per cent., which is patently absurd. The consequence of operating the system in that way is that many purchasers will seek to avoid incurring the higher rate by paying a reduced amount on the value of the property while agreeing an artificial price for items such as fixtures and fittings, thereby ensuring that the headline price that is paid is below the threshold, whereas the total amount that they are handing over is above it. That applies equally to businesses and to residential sales. There is considerable incentive to make such arrangements to avoid extra cost. By creating the differential, the Government are encouraging the continuation of that practice.

Mr. Campbell-Savours: Is the hon. Gentleman suggesting that, to overcome that problem we should include fixtures and fittings in the price of properties?

Mr. Whittingdale: No, I am not suggesting that at all. We should not have introduced those thresholds and we should not be increasing the rates, but one method of dealing with that problem would be to change the way in which stamp duty is levied from a slab system to a slice system. We made that suggestion in the debates on last year's Finance Bill, and in his reply, the then Paymaster General, the hon. Member for Coventry, North-West (Mr. Robinson), said that he could see the attractions of slicing rather than slabbing and that he was happy to consider our suggestion. Although we do not regret his passing from the Government, it would be a pity if his acceptance of that point was also lost. I am disappointed that the Government have made no attempt to correct the distortion that the system creates.

Mr. Gerald Bermingham (St. Helens, South): I have been listening with interest to the hon. Gentleman's remarks. I first qualified as a solicitor in 1967—I declare

an interest as an ex-solicitor—and became a barrister in 1985. When I ran a large firm of solicitors, it was common practice in property sales to avoid the stamp duty margin simply by valuing fixtures and fittings that went with the sale. In the domestic system, that applied to curtains and carpets, and in the commercial system, it was power lines and fixtures for shop processes. The hon. Gentleman's point is a nonsense. No one has ever thought of having a slice system; we have always agreed on a slab system, but we have always been careful to advise our clients how to achieve the correct slab. Why did not the Conservative Government do anything about the system in all their years in power?

The Temporary Chairman: Order. The hon. Gentleman's intervention is too long.

Mr. Whittingdale: As I was explaining at the beginning of my remarks—I am sorry that the hon. Gentleman was not present—this Government have made the problem far worse by introducing three successive, huge increases in stamp duty in three Labour Budgets. That has increased the incentive for people to seek to avoid the tax in the ways that I have described.

Furthermore, it would be sensible to consider levying the duty by a different method not only because of the point about fixtures and fittings but because it is a very strange tax. One has to pay a huge amount extra just because the price of the transaction goes over the threshold. As I said earlier, that produces ridiculous marginal rates of taxation.

Mr. Derek Twigg: If, as you say, there is a problem for householders and not only for purchasers of commercial property, and if, by some miracle, your amendment were accepted, would you vote for clause 99—

The Temporary Chairman: Order. It is not my amendment.

Mr. Twigg: I apologise, Mr. Butterfill. Would the hon. Gentleman then vote for clause 99?

Mr. Whittingdale: I have already said to the hon. Gentleman that Conservative Members totally oppose the increases because they will affect householders and businesses. We realise that they will be particularly damaging to businesses, and that is the subject of our amendment, but, even if our amendment were carried, and my powers of persuasion caused the Financial Secretary to accept it, I regret that we would still vote against the clause.

As I said earlier, I welcomed the fact that our arguments for changing the way in which the tax was levied had been recognised, at least in part, by the former Paymaster General, the hon. Member for Coventry, North-West. I am sorry that our case has not been recognised in the Finance Bill. Does the Financial Secretary accept that the issue at least needs to be addressed, and will she examine the possibility of making a change? That change need cost nothing. It would be possible to devise a more progressive tax, levied according to a slice system, which was also revenue neutral.

Most transactions affected by the increase are VAT exempt, but that is not true of them all. In some cases, commercial property owners may exercise what is known as the option to tax, whereby they choose to waive their VAT exemption and charge VAT on rents or sales. That may seem a rather curious course, but it has advantages because they are then able to recover VAT on, for example, their input costs for construction. If a company pursues that course, it may well find that, in the event of a sale, it pays stamp duty not only on the sale value but on the VAT charge as well. In such cases, stamp duty is a straightforward tax on a tax. In the case of a building that costs £1 million, the VAT charge would be £175,000. The total stamp duty paid on that transaction would be over £41,000, of which over £6,000 would be double taxation.

The same problem could well arise in the transfer of going concerns. If a business is transferred as a going concern, it is an exempt supply and no VAT is payable. However, Customs and Excise no longer gives advance clearance on the application of relief, and it is left to the parties to take a view on the VAT status of any transaction. It is not always easy to define a going concern, and there are cases where VAT is not charged, but it is subsequently demonstrated that it should have been charged. In those circumstances, the purchaser not has to pay not only VAT but the extra amount of stamp duty on the VAT charge.

Given the steeply progressive nature of the stamp duty regime and the slab system that I have described, it is not impossible that the additional VAT charge could take the value of the transaction over a threshold, so that a higher rate of stamp duty becomes payable on the entire value of the transaction. In the particular cases that I have described, the additional amount of stamp duty may be greater than the duty that was originally payable. I fully accept that such an outcome is not likely to be a common occurrence, but it is certainly possible and accentuates the point that stamp duty can be extremely unfair, as it is double taxation.

Stamp duty increases are distorting the operation of the market. Under the previous Government, stamp duty was charged at a flat rate of 1 per cent., with the duty on shares set at 0.5 per cent. That 0.5 per cent. differential between the level of duty for shares and that for all other transactions was not then regarded as particularly significant, and it had little effect on behaviour.

8 pm

However, as a result of the three Budgets, the difference in the duty rates between that applicable on assets and that applicable on shares has been increased to 3 per cent. That is a significant cost, and it is likely to distort market decisions when companies choose whether to raise finance from asset sales or from the issue of shares.

That distortion will be increased even further if the Government decide to abolish stamp duty on shares. Although, as far as I am aware, there has been no hint that that will happen, the Minister will be very much aware of the huge concern about the effect of stamp duty on the competitiveness of the City of London.

The alliance between the London and Frankfurt stock exchanges is just the first step towards the creation of a pan-European stock exchange. The Minister knows that, in Germany, no stamp duty is payable on share transfers.

[Mr. Whittingdale]

There is a real danger that business will be lost if the differential between the rate applicable in this country and that applicable abroad continues.

The issue is very serious. Those in the City regard the increase as a considerable threat. I hope that the Minister will carefully consider what help might be given to ensure that the City of London remains the greatest financial centre in the world.

The cumulative effect of all those increases will be to encourage the avoidance of duty altogether. A rate of 2.5 or 3.5 per cent. obviously makes it far more worth while to execute documents offshore, so that no duty is payable. I am aware that clause 97 attempts to address that, by increasing the penalties and interest payable if documents are stamped late. However, for most transactions, there will never be cause to bring documents back to the United Kingdom. The one time when it might be necessary would be if one of the parties wished to take legal action under the terms of the contract. However, the £300 penalty that the Bill introduces seems a relatively small price to pay, given the likelihood of that happening.

Two senior managers at KPMG, the Government's favourite accountancy firm, writing in *The Tax Journal*, say:

"Provided that the interest rate charged on late paid stamp duty is not considered penal, it may still be attractive to leave documents off-shore and unstamped. Provided the document doesn't subsequently need to be brought onshore, the stamp duty charge is deferred permanently"—

so, by increasing duty rates to such a level, the Government are encouraging tax avoidance, and it seems to me inevitable that that practice will increase.

I have stated many reasons why I feel that the increases will be especially damaging to business. They are, of course, punitive on numerous people and I certainly would not wish them to be introduced to affect those involved in residential property transactions either. That is why I told the hon. Member for Halton (Mr. Twigg) that we would vote against clause stand part. However, I believe that the increases impact especially heavily on businesses. It is for that reason that we have tabled the amendment, the aim of which is to exempt business properties from the increase.

Mr. Leslie: Will the hon. Gentleman give way?

Mr. Whittingdale: I am just about to finish—well, all right.

Mr. Leslie: The amendment would exempt commercial businesses from stamp duty. Does the hon. Gentleman want to exempt just the increase? If he could, would he exempt businesses from all stamp duty, or perhaps just the increases above 1 per cent?

Mr. Whittingdale: The hon. Gentleman will recall, because I believe that he was present, that, last year, we moved an amendment to the Finance Bill which would have prevented the increases imposed in that Budget from affecting businesses. I can assure him that if, as we fear, the Government continue to introduce further increases in stamp duty in future Budgets, we shall oppose those, too.

I tell the Minister that, if the Government's rhetoric about wanting to help business means anything at all, they should accept the amendment.

Mr. Derek Twigg: I was very interested in the speech of the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale). I pursued the line of intervention questioning that I did because I thought that the Conservative party's approach tonight was interesting. Conservative Members have decided that they want to exempt business and commercial properties from the operation of the clause, and that such properties are more important than domestic properties. They have made it all too clear that they do not really care about the domestic side of this tax.

The Conservatives say, "We want to do this because it is very important and we want to ensure that something happens," and they try to identify themselves as friends of business and commercial property; but, when they are asked what they would do if the amendment were passed, they say that they would vote against the clause anyway. That means that they would vote against the clause as amended by their amendment.

Mr. Whittingdale: Given the size of the Government's majority, I suspect that we shall not succeed in carrying the amendment or in persuading the Government that they should not proceed with the clause. If, by some chance, we had persuaded the Government to accept our amendment, exempting business, then, for the reasons that I have explained, we would still have objections to the clause. However, given the size of the Government's majority, I think that we may assume that the clause will probably be passed, and we might at least have distinctly improved it by removing from businesses the obligation to pay the increase.

Mr. Twigg: I simply gained the impression that perhaps the Conservatives had not thought this one through enough, and that, instead, they were going to waste our time by speaking and voting against clause stand part. Perhaps they were a bit stung by previous accusations that they were not going to table amendments because there might be a difference of opinion among them, given the latest state of affairs.

The debate went from the sublime to the ridiculous. I am happy to be corrected if I misheard, but I thought that the hon. Member for Maldon and East Chelmsford said that the stamp duty increases were a threat to the future of the City of London as the premier financial place in the world.

Mr. Whittingdale: I am grateful to the hon. Gentleman for giving me the chance to correct him on that point. On the issue of the future of the City of London, I was highlighting the danger—which the City believes is extremely real—that arises from the fact that, in this country, we charge 0.5 per cent. on share transactions, whereas in Germany there is no stamp duty on share transactions. Because of the technological developments that are leading to the integration of stock exchanges across Europe, there is a significant danger that business will move to where costs are lowest; in that case, it would

mean Frankfurt, not London. Therefore, to protect the City of London's position, the City believes that it is important that this issue should be addressed.

Mr. Twigg: That reply is very interesting in the context of the amendment.

There is some suggestion that the stamp duty increases will cause bankruptcies throughout the country, that businesses will collapse and that stamp duty is the single most important factor in people's considerations when setting up businesses, continuing them or buying larger premises. That is nonsense. There is no evidence to support that contention. I cannot recall from any discussions that I have had with business men in my area that they have seen stamp duty as a major problem. The hon. Member for Maldon and East Chelmsford may quote any figures that he wants, but I am talking about my conversations with business men and women in my constituency, and I have never found stamp duty to be a major issue. It is interesting that the Conservatives are trying to make an issue of it tonight.

Mr. Michael Jack (Fylde): In the hon. Gentleman's extensive preparation on the amendment, has he had time to read the report produced by Arthur Andersen and written on its behalf by David Currie and Andrew Scott of the London business school?

Mr. Twigg: I will be open and honest: I have not—but just because Arthur Andersen says something does not mean that it is right. In fact, given some of the work that Arthur Andersen has done on information technology systems around the country, I wonder about its competence and success.

Mr. Woodward *rose—*

Mr. Twigg: Let me continue. I am pleased that people find my contribution interesting.

Obviously, one may quote whatever example or avenue one wants and use it for whatever purpose one wants, but I am saying that, in my constituency, the issue has never been raised with me as a concern. Among the issues that were continually raised were the policies by which the previous Government clobbered small business, and the various policies that created a difficult economic environment. We cannot separate the issue of stamp duty from that of the general economic climate and economic stability. However, it seems to be suggested that this issue is out on a limb and is the main cause of problems.

Mr. Woodward: Even though the hon. Gentleman has not read the Arthur Andersen report, can he tell the Committee what value to a company its loans represent in terms of its borrowing money against the value of its property? I think that this information is generally known. What percentage of the outstanding loans of an average company is based on commercial property?

Mr. Twigg: I expected better than that from the hon. Gentleman. Companies have to make commercial and business decisions. The hon. Gentleman's intervention does not take us any further than the contribution of the hon. Member for Maldon and East Chelmsford from the Opposition Front Bench. The hon. Gentleman made a nonsensical point.

Mr. Woodward: It is crucial.

Mr. Twigg: I have talked to business men in my locality and they appear not to rate this issue as one of the greatest importance. It could be that Halton is somewhat different from other areas. I do not know. However, I have talked to many small business men and it seems that the general thrust of policies—

Mr. Woodward: They do not understand.

Mr. Twigg: That is interesting. The hon. Gentleman says that business men in my constituency do not understand.

Mr. Bermingham: First, does my hon. Friend agree that there have been major suits of negligence against major accountancy firms over the past few years, thus leading most of us to accept that they do not always get things right? Secondly, as someone who, on behalf of clients or others, has bought and sold shares for the past 30 years or so, I have always paid stamp duty personally or for clients. I have never experienced an objection to stamp duty and I have not seen all the City of London business transferred to Zurich or anywhere else. My hon. Friend may just agree with me.

Mr. Twigg: My hon. Friend makes an interesting and telling point. It is clear that the Opposition decided not to deal with it. I am grateful to my hon. Friend.

We have not been told how, if the amendment were carried, the gap in the Budget would be filled. That is normally the position. The Opposition like to oppose, but they have nothing to put in the place of Government policies. Basically, they are playing games. That was made clear when the hon. Member for Maldon and East Chelmsford talked about what would happen if the amendment were agreed to. Opposition Members are in an almost incredible situation.

Mr. Gibb: Will the hon. Gentleman give way?

Mr. Twigg: I shall give way for the last time, because I am sure that the Committee would like me to make progress.

Mr. Gibb: At the general election, did the hon. Gentleman stand on a platform of no increases in taxation? Is the Government proposal not an increase in taxation?

Mr. Twigg: The hon. Gentleman is becoming rather robotic on this issue. He is not getting an answer to his question because its basis is incorrect. I am sorry that he cannot think more widely on this issue. He seems to be transfixed.

A wide range of measures are set out in the Budget, which the Government put forward to help and promote business. We have heard nothing this evening about many of them. Many measures have been welcomed by business and the Opposition have taken up the issue of stamp duty

[Mr. Twigg]

because they think that they can have some fun with it. The fact is that, generally, business welcomes the Budget. I am confident that what the Government have set out in the Bill will be in the country's best interests.

8.15 pm

Mr. Nick St. Aubyn (Guildford): I fully support the amendment. I suggest to the hon. Member for Halton (Mr. Twigg) that there may be revenue-neutral effects from reducing the rate of duty on commercial property. The report cited by my right hon. and hon. Friends makes it clear that, such is the devastating effect of rises in stamp duty, they damage the value of commercial property owned by pension funds and other forms of saving for people throughout the country, and the value of the Government's property holdings. Based on their figures, a 0.5 per cent. increase in stamp duty reduces the value of the Government's holdings of commercial property by £2.5 billion, whereas the revenue to be raised from the increment in stamp duty will be not more than £100 million a year. In plain language, it will take the Government 25 years to recover the loss in the capital value of their stock of commercial property if they go ahead with the proposed measures.

This is not merely a mathematical exercise. We know that account has been taken of all the property holdings of Government Departments and that there is an on-going programme to rationalise Government property holdings. Properties are being sold by the Government year after year. Because of savage increases in stamp duty, there will be far less money coming in.

Through the amendment, we are protecting public finances. I draw the attention of the hon. Member for Halton to the code for fiscal stability. One of its purposes is to improve the public financial balance sheet. However, we are seeing an attack on the strength and probity of that balance sheet. At the same time, as my hon. Friend the Member for Maldon and East Chelmsford (Mr. Whittingdale) has already mentioned, increases in stamp duty, far from creating a more stable environment, create a more volatile one. That is in direct conflict with the code for fiscal stability.

According to the research that has been carried out, there is a 50 per cent. increase in the volatility of property prices as a result of the increases in stamp duty. That is a major increase. Why does it happen? If the transaction costs of buying and selling property increase, the incidence of such transactions will decrease. Where there are property transactions, there will be much greater increases in prices. That is shown clearly by research, and it stands to reason. As we have found in so many markets—securities and elsewhere—if transaction costs are reduced, the volume of transactions increases, and vice versa.

There is another reason why there may be revenue-neutral consequences that relate to tax avoidance and the use of offshore vehicles. We should not be surprised if, as a result of this latest rise in stamp duty, and if there are further rises in the pipeline, commercial property is dealt with increasingly through derivative instruments. If that route is taken, there will be no stamp duty take for the Government. Again, their revenue will decrease.

There will be an impact on business. When we talk about the cost of buying and selling property, we are always talking about a business cost. I know that we are focusing deliberately on commercial property, but business will feel the effect of the increases in stamp duty on homes. Whenever a senior and important executive in a company has moved home, the cost of that move has been radically increased by the rises in stamp duty over the past few years.

In Guildford, 7,000 of my constituents and I—I am happy to declare an interest—are directly affected by the proposed increase in stamp duty. Many of the 7,000 are senior executives. They are important people working in local firms. It is a highly competitive world and many of the businesses in my constituency are competing in Europe, the far east and America. Their local costs are a critical factor in their ability to win more business. The effect of these rises in stamp duty will be to harm their competitiveness and reduce the amount of revenue going to the Exchequer from the profits of their trade. This is, yet again, a self-defeating exercise by the Government.

We should remind ourselves that the Labour party came to power promising an end to boom and bust, but the increase in stamp duty will accentuate the danger of boom and bust. The research carried out by Scott and Currie says that

"in 1996 the value of loans that could be secured against the industrial and commercial sectors' holdings of property was below their actual borrowing."

In other words, even before the Government came to power, companies, in aggregate, were borrowing to the very limit of their borrowing powers against the value of their commercial property holdings.

If greater volatility in the value of commercial property results from these changes, there will be a greater chance that those values will fall below the level acceptable to the banks that are lending to those companies and a greater chance of some of those companies being forced into receivership or bankruptcy.

Mr. Bermingham: Is that not economic madness? Investment in property is tax deductible and allowable in a business sense and interest rates have fallen considerably since the Labour party came to power. If one is offset against the other in accountancy terms, the rise in stamp duty is a minor matter compared with the benefits of interest rate reduction and other tax reliefs since granted.

Mr. St. Aubyn: I entirely agree that economic madness is at work here. The economic madness is that every 1 per cent. increase in stamp duty leads to a loss of between 3 and 5 per cent. in the capital value of all commercial property. All other things being equal, that is its effect. If the commercial sector has borrowed against property, in aggregate, as far as is prudent, the measure will push borrowing to imprudent levels. A greater danger of boom and bust is being created.

Mr. Bermingham: If its value is pushed down, commercial property is made more readily available to more investors. That is not a loss to the investing world at large. Interest rates have tumbled and people can borrow at cheaper rates, which seems to me to be an economic gain for the long term.

Mr. St. Aubyn: I am grateful to the hon. Gentleman for pointing out that, if his Government create a busting

economy with lots of people going under, there will be a lot of cheap properties around for others to pick up on the off-chance. That is not the sort of economy that the Government inherited or that they promised to create, but they will create such an economy if they carry on down this blind alley in which tax increases are more than offset by the damage to wealth across the country and, more importantly, by the damage to wealth creation.

We have touched on other issues. Stamp duty has an effect on goodwill and on patents, and the measure is a wholesale attack on many things that the Government say that they are in favour of. They want to create an enterprise economy and say that they support innovation, but brand names and new inventions will be taxed at a higher rate as a result of the increase in stamp duty. I cannot see how that fits in with any serious wish to achieve a more vibrant economy.

Many of the companies that will be hardest hit by the increase in stamp duty turn over between £500,000 and £5 million a year. Under the previous Conservative Government, the most significant growth in the number of companies took place in that part of the economy, which is also where the most significant increase in the vitality and job-creating power of our economy occurred.

Interestingly, it has been estimated that even a 0.5 per cent. increase in stamp duty will lead, over a few years, to the loss of more than 5,000 jobs throughout the economy; more significantly, it has an opportunity cost for the firms that have created the most jobs in recent years. The firms trading between those turnover levels are most typically dependent on bank borrowing set against their property holdings. Across the board, property can typically amount to about half the net book value of such businesses and it is an important asset that will be considered by the banks.

We all know that, in an ideal world, banks should look at the business plan, cash flow and prospects of the companies to which they lend money, but the reality is that, although banks check that the figures add up, they do not have the time or the expertise to assess how realistic those plans are. As well as trusting the judgment of the businesses and the business managers to whom they lend, they very much trust to the security of the assets against which they lend.

Taxation that damages the value of those assets way beyond the amount of tax revenue yielded damages the ability of those businesses to expand. Yet again, the economy is being led up a blind alley. Comments from Labour Members have shown that old Labour is rearing its head in an avaricious attack on wealth in this country. That is what the measure is really about. I tell Labour Members that 10 per cent. of my constituents are directly affected by it—we might as well go back to the days of surtax. They promised in the election campaign that they would not raise taxes, but they are indeed doing so, and targeting taxes in a way that will certainly affect the incentives in our economy.

It is also worth bearing it in mind that the cost of stamp duty will be spread across all businesses and all levels of society. If people who are buying large properties have to pay more in stamp duty, they will have less to spend on improvements and other work on their properties that they might want to undertake. Therefore, they will be less able to carry out those improvements and one of the ways in which there is synergy between different sectors of the economy will be lost.

There will clearly be a knock-on effect. *[Interruption.]* That seems to be a matter of amusement for Labour Members, but I have calculated that, for my constituents, the increase in stamp duty is equivalent to a tax of £100 per household per year. That is the extent of the damage that will be caused by what the Government are doing.

We have already heard that property taxes in this country are the highest in Europe, but, in fact, they are among the highest in the world. Only in the economic area of north America does the level of property taxes, in aggregate, begin to match that which we now have in this country. Far from an increase in stamp duty achieving harmonisation with the rest of Europe, it will put us way out of line.

In this country, the proportion of taxation on property as a percentage of national income is twice the European average. The total amount taken in property taxes in this country is 10 per cent. of all taxes, which is higher than the proportion taken in property taxes in any other EU country.

The implications are serious. We had a thriving commercial property market, but we may end up with a dead market. We had a commercial property market that attracted a significant amount of inward investment in Europe—building bridges between our economy and the economies of our European partners, something that I thought that Labour Members favoured—but we are putting up a sign saying, "Not for sale; do not come here—the taxes are far too high."

There is an even greater concern. If we are already at the peak of the taxation, in aggregate, that property can bear—that is the message we are getting from around the world—what will be the effect of the measure on local property taxes? A significant part of property taxes are raised through rates. The increase in stamp duty will mean that it will simply not be possible to increase rates as well. There will therefore be an effect on local government. The measure is a tax grab by central Government—the Treasury—at the long-term expense of local government revenue. That is where we are heading by going down this route. Whatever the pros and cons of taxing property through rates, it is better to have a known and, since the previous Government, stable level of taxation year in, year out, than a level of taxation that is affected by the incidence of businesses moving.

8.30 pm

There are many reasons why businesses move, but one of the most significant is that they outgrow their premises and want to move to more modern premises. That is a very important part of the process by which we protect the green belt, as brown-field sites become available. If businesses find that the cost of moving has become prohibitive, they will stay put and give up the opportunity for extra growth and employment, and the Government will lose the extra revenue that would have resulted from that. As a direct consequence, there will be an increasing shortage of brown-field sites. If it is a Government priority—it is one that we feel they have not pushed far enough—to have more brown-field sites developed, they will find that that is simply not possible, or the cost of brown-field sites will get out of kilter.

All those reasons show why stamp duties are wrong. I leave the Committee with one final thought, which I hope that the Financial Secretary will bear in mind.

[Mr. St. Aubyn]

She and her colleagues may think that stamp duty is some kind of economic regulator and that, because they inherited such a strong economy, increasing it will be a crude means of restraining increases in property prices. That may work well, but, when it comes to a slowdown or a recession—no economy is immune from recessions—the correct thing to do is to reduce stamp duty. However, to do that at that stage would be entirely counter-intuitive for the Government because, in a recession, all Government revenues are under pressure. A Labour Cabinet would simply not agree to cut stamp duty when budgets for schools and hospitals were under pressure.

In other words, this is a one-way street. Stamp duty is going up—we need to know how far—but it will not come down. Far from being an economic regulator, it is a mechanism for creating boom and bust in the economy. That is a fundamental reason why the measure should be opposed tonight.

Mr. Colin Breed (South-East Cornwall): I understand that we shall debate the clause stand part a little later, so I shall confine my remarks purely to the uniform business rate. First, I declare an interest, which is in the Register of Members' Interests. The business concerned is under offer and may therefore incur stamp duty.

I have always wondered why trading businesses have had such a desire to buy property. Whether they are manufacturing or commercial businesses, so many of them want to lock up a considerable amount of resources in the almost dead asset of the building from which they operate. As a former bank manager, I have always suspected that that practice has been driven by the banks, which promote loans to companies and businesses for the bricks and mortar over which they can then obtain a mortgage and security.

Many businesses in the past, and some even today, have undertaken long, fixed-term borrowing on rates well in excess of the current rate and cannot extricate themselves from that borrowing agreement. They find their cash flow locked up in significant interest and capital repayments to pay for the very premises from which they operate, rather than having that cash flow available to expand their businesses and to invest in equipment.

Mr. Jack: Can the hon. Gentleman confirm, given his position as a former bank manager, whether he would advise his customers that the proposals that we are considering tonight apply also to leases?

Mr. Breed: Yes, they apply to most property leases.

An enormous amount of productive capacity is locked up in the dead asset of property and buildings. The Government and the business community have not recognised sufficiently the fact that an enormous number of successful businesses, particularly in America, own virtually nothing and lease virtually everything. They use their profit streams to expand at a greater rate.

It has been estimated that some 50 per cent. of all the borrowing currently undertaken by businesses is somehow connected with property purchases. That shows what an enormous amount of money is tied up in buildings. It may make some people think twice about what they should be doing.

On interest rates, the money that is locked up is often considered as fixed-term borrowing. When rates are volatile, that can sometimes be advantageous, but, at present, there is no doubt that it is very disadvantageous. I could not quite follow the argument about the Government's property portfolio. I had hoped that the Government would dispose of some of their property by putting the money to productive use and releasing the capital in some way. Although it may theoretically have a reduced book value, while it is still on the books it is not necessarily doing anything. We should like to see the funds from such property assets released and put into other areas. I therefore do not quite follow the logic of reducing the book value, although there may be less revenue coming from it. We want a real release of property, which would then provide the means by which the Government could improve public services without increasing taxes.

Most business men would like to get rid of the uniform business rate. They do not want it used as a measure of whether they pay stamp duty or not. The businesses that I know do not sell their property voluntarily; regretfully, the property is sold beneath them. They are worried not about expanding their business but about retaining it. It can be argued that, if stamp duty goes much higher, it will affect the commercial property market. However, the rises proposed by the Government will not cause such a scenario.

There is a long way to go yet. Most of the small businesses that I come across in Cornwall would love to have potential assets of £250,000 or £500,000. We are essentially talking about relatively small businesses, which do not tend to change their premises regularly. Indeed, they often struggle to retain them.

I broadly support the measures. The suggested rates and thresholds in the current proposals do not signal the dire events that have been predicted by the official Opposition, who want to exempt properties subject to the uniform business rate. The Liberal Democrats are prepared to follow the Government on this, and we shall not support the amendment.

Mr. Leslie: I was interested to hear the Liberal Democrat spokesman, and I agree with his acceptance of the need to increase stamp duty. Listening to the hon. Member for Guildford (Mr. St. Aubyn), one would have thought that the end of the world was nigh. My violin was ready to play a sad song. The tears were streaming down my face at the thought of the terribly poor people who would be affected by this wicked, nasty tax. It was nostalgic to hear again the trickle down theory of economics from the hon. Member for Guildford. He said that this imposition of a half percentage point increase in the rate of stamp duty on properties costing £250,000 or more would make every household in Britain £100 worse off. To hear him talking, it was as though the whole economy hinged on the increase.

The amendment is a typical example of the Conservative party representing the privileged few and not the many, as it has always done and will continue to do, despite the statements of the right hon. Member for Hitchin and Harpenden (Mr. Lilley).

Mr. Gibb: Is the hon. Gentleman aware that, when a new housing development is built, the house builder purchases a large slab of land that costs more than £500,000? He will

pay 3.5 per cent. stamp duty on that purchase, which he will then pass on to the purchasers of the houses on that development. Those houses may be very small.

Mr. Leslie: The trickle down theory continues to expand. It is amazing to watch that happen. The hon. Gentleman's intervention enables us to talk about the impact on residential areas. He argues that, at some level, there will be a charge on commercial transactions. That opens up a gamut of possibilities for us to underline the fact that 96 per cent. of residential properties are completely unaffected by this change in the Budget.

Mr. St. Aubyn: Does the hon. Gentleman realise that, after the increase in stamp duty last year, the property sector of the quoted sector of the market fell by 20 per cent? Does he realise that most commercial property is owned by savings institutions, such as insurance companies and pension funds, which represent the interests of the very people for whom he claims to speak, but whom we are speaking for tonight.

Mr. Leslie: Commerce is a wonderful thing but, as my hon. Friend the Member for Halton (Mr. Twigg) said, if this were such a dreadful imposition, businesses in our constituencies would be queueing at our surgery doors to complain about it. I certainly have not had any correspondence about the issue. I notice that Arthur Andersen has sent a briefing to Conservative Members: I have not received it, but it would be nice to see it.

Mr. Bermingham: I have just done a little calculation to test Conservative Members' lack of knowledge. A developer would probably pay about £1 million for five acres. He would pay about £33,500 in stamp duty and build 28 houses to an acre, which is about 140 houses. That is around £200 per house.

Mr. Leslie: That is an interesting calculation, and there are plenty more to be made. I was interested in getting some information from the Conservative Front-Bench spokesmen about the effect of passing the amendment on Exchequer revenue yields. They had not even bothered to think that through. They were not particularly concerned about how much would be lost to the Exchequer should their amendment be passed. By the sounds of it, as my hon. Friend the Member for Halton said, they were not concerned about whether their amendment was passed because they intended to vote against the clause in any case, whatever happened.

There are varying views about how much money would be lost if the amendment were passed. The hon. Member for Guildford came up with the interesting wheeze that no money would be lost to the Exchequer, because if we increase stamp duty, the revenue for the Exchequer would be increased. Thank goodness he is not in charge of the economy, although who knows what is happening in the Conservative party these days. He could well be shadow Chancellor before too long. What a day that would be. We look forward to such changes as they emerge in the coming hours.

8.45 pm

An interesting aspect of the amendment is the relationship that it would create by linking any exemption to the uniform business rate. I am rather curious about that. Would certification be necessary to prove that a person was liable for the uniform business rate? How much would it cost to administer the system, who would administer it, and how would it be paid for? The Conservatives have not explained how the system would be administered, and they did not implement it when they were in office.

I am interested to note that the Conservatives have stuck to at least one principle in opposing any change in stamp duty from the present 1 per cent. level. As a result, the revenue to be gained from all the income generated by such a change would be lost to vital public services. There are a number of views about how much would be raised by the application of the clause, but I understand that it is around £370 million. That would pay for about 100 schools, 15 hospitals or seven bypasses, the Bingley relief road being an example. The Red Book mentions a figure of about £220 million in relation to the upgrade of child benefit to £15—

The Temporary Chairman: Order. The hon. Gentleman is straying rather wide of the amendment.

Mr. Leslie: Thank you for the prompt, Mr. Butterfill. I was merely trying to prove that, if the amendment is carried, the revenue that would be lost would make it impossible to pay for the increase in child benefit, for example. We know from experience that, when the Conservatives oppose revenue yield measures, they want to cut welfare.

Mr. Jack: Why does the hon. Gentleman favour raising—particularly from business—additional revenue by raising stamp duty?

Mr. Leslie: I think that stamp duty is a very progressive way of raising revenue. It is a fair tax, in that those with significant assets pay proportionately more. A strong principle underlies that philosophy of progressive taxation.

Mr. Geraint Davies: Unfortunately, I had to leave the Chamber briefly, so I may have missed something. Have the Opposition given us any idea how much the amendment would cost when combined with the earlier amendments, which would have cost billions of pounds, and the abolition of the fuel duty escalator, which we discussed yesterday? How much would it cost in terms of value added tax on domestic fuel, cutting services and so on?

Mr. Leslie: An Adjournment debate may well be called for. The country will be clamouring to know just how the Conservatives intend to fill the black hole that would result from the passing of amendment No. 3. Where will the money come from to pay for vital public services?

Mr. Gibb: Are not Labour Members merely reciting a list of stealth tax rises implemented by their Government? Are they not doing our job for us?

Mr. Leslie: It is possible to view the situation from the perspective of a responsible Government who are seeking

[Mr. Leslie]

to pay for vital public services. If we could not raise revenue, we would not be able to spend it on schools and hospitals. I thought that the right hon. Member for Hitchin and Harpenden was saying that the Conservatives wanted an extra £40 billion for schools and hospitals, but they clearly do not. Amendment No. 3 would chip away at the money that they would have to spend on those vital public services.

I know that the Conservatives are in turmoil this evening, and I realise that the Leader of the Opposition is making a very important speech that is essential to the future of the Conservative party, but I think that we should sort out how the Conservatives are to secure the revenue base of the nation's finances before we can ever expect the return of a Conservative Administration.

There are other reasons why I think that the stamp duty changes are worth not only considering but supporting, not least because of the current state of the property market across the United Kingdom, and the increased property values that have been reported in recent weeks in very many studies and newspapers. We should focus on the stamp duty's regulating effect in preventing a return to boom and bust in the property market, in attaining market stability and in capping the large speculative exchanges that were symptomatic of the 1980s. The Chancellor, in proposing the measure, has taken early action to prevent a worse fate later. The stamp duty changes will help to prevent that fate.

The hon. Member for Guildford also made the interesting point that stamp duty rates are so much lower across Europe, and that the United Kingdom Government are imposing a very heavy burden.

Mr. St. Aubyn: I know that this is a very difficult subject for the hon. Gentleman, but I was referring to the total of taxes on property, of which stamp duty is a part. The total tax take on property is much higher in the United Kingdom than in the rest of Europe.

Mr. Leslie: I am grateful for that implicit recognition of the fact that the United Kingdom stamp duty rate is very competitive. Compared with stamp duty rates of 9 per cent. in Ireland, 8 per cent. in Italy and 6 per cent. in Spain, we have a very competitive rate, of which we have much to be proud. We have a prudent Chancellor who proposed in his Budget only a minor change—a mere 0.5 per cent. increase—in the stamp duty rate. The context in which the decision was made included the factors that I have described, and the need to keep an eye on the United Kingdom's economic stability and to be prudent with its finances.

The debate has highlighted the contrast between the Government, who are concerned with achieving stability in the property market and securing the tax base, and Conservative Members, who clearly stand only for the few and not the many. I believe that the measure should be supported, and that amendment No. 3 should be thrown out.

Sir Peter Lloyd (Fareham): It is very interesting to follow the speech of the hon. Member for Shipley (Mr. Leslie). However, I should correct him on one or two of the assumptions that he made about Conservative Members' motives. We are criticising the Government's proposed tax not because of the effect that it will have on rich people, as he describes them, but because we believe that it will detrimentally affect growth and jobs. The hon. Gentleman laughs. I am surprised at that, as I should have thought that he would at least know that one may increase economic activity by reducing taxes, so that the take from the lower taxes is higher than it was before they were reduced.

Mr. Leslie *rose—*

Sir Peter Lloyd: If the hon. Gentleman will tell me that he knows that, I shall happily give way.

Mr. Leslie: I hope that the right hon. Gentleman will welcome the reduction in the corporation tax rate and the imposition of a new, lower 10p starting rate of corporation tax.

Sir Peter Lloyd: I certainly applaud reduction in corporation tax, but am not so impressed with the 10p rate, which I should have preferred to be wrapped up in the lower standard tax rate—so that the tax threshold started later, and some more small companies would not have to pay any tax. I think that that would be a much better use of the time of the Inland Revenue and of Customs and Excise and much better for small businesses. The rate that the hon. Gentleman mentioned is really rather gimmicky, as is so much of the Budget. However, I should return to the amendment, to which I know that the Chairman would like me to speak.

Today will be the third time that the Government have raised stamp duty. It went up in 1997, again in 1998, and will undoubtedly go up again today, when the Government's large majority moves through the Lobby. I can appreciate why the Government have followed this course—they want the money, and there are plenty of good things on which Governments spend money. Although I do not always agree with the Government's spending choices, I do understand why they try to maximise the revenue that they take.

Increasing stamp duty is a way of raising extra money that the general public do not notice. It does not affect most people directly and they will not connect it with the malign impact that it may have further down the line. They certainly do not make the connection in the constituency of the hon. Member for Halton (Mr. Twigg) and I doubt whether many people do in my constituency. They have other more immediate worries. Nevertheless, it will have an effect that should concern us on behalf of our constituents.

Stamp duty on commercial property is such a soft option in respect of the average voter—and some hon. Members—that, no doubt, the Government will find it impossible to resist the temptation to raise it still higher in future years, not just because it is easy, but because the Government intend to join the economic and monetary union. One way of hastening harmonisation would be to increase stamp duty to the higher average of continental countries with the minimum fuss. If that is their objective, the Government should remember, as some of my hon. Friends have reminded us this evening, that, although stamp duty or its equivalent is generally higher in Europe than it is here, that is not the case in all EU countries.

So, unless the Government accept that tax harmonisation must be at the highest rates, they should be careful about imposing increases.

Even more to the point, as my hon. Friend the Member for Guildford (Mr. St. Aubyn) pointed out a couple of times and again in an intervention, taxes on property are much higher in the UK than they are in the rest of the EU. If the Government seek a level playing field with Europe, they should cut total taxes on property instead of raising them.

I hope that, in her reply to the debate, the Minister will confirm that she recognises that property taxes are higher in the UK and let us know whether the Government intend to call a halt to increases in future years. I do not expect her to do so as a personal favour or in the cause of cross-party co-operation. Of course I realise that Governments can save themselves a great deal of trouble if they keep open as many options as possible. However, I am allowing myself a little hope because I assume that the Minister will want to observe the requirements of the Government's code of fiscal stability, which was also mentioned by my hon. Friend the Member for Guildford.

The code commits the Government to operating fiscal policy in a way that is predictable and consistent with high and stable levels of growth and employment. I know that the Minister can talk and listen at the same time, although not all her colleagues can do that. Will she make clear, in the spirit of the code, what the Government's medium-term intentions are in respect of stamp duty? Whether or not she tells us, I fear that the effect of increasing stamp duty will distort that part of the economy.

I am talking particularly about commercial property and the analysis of Arthur Andersen and the London business school. I was not sent a copy directly; I acquired it from one of my hon. Friends, so I am very happy to pass my copy over to the hon. Member for Shipley, who badly needs to read it. I hope that, in another debate, he will tell us why he has converted or his real reasons for disagreeing with it.

My hon. Friend the Member for Maldon and East Chelmsford (Mr. Whittingdale) mentioned the study, as have several of my hon. Friends. The analysis makes it clear that increases in stamp duty have a surprisingly strong negative effect which is then multiplied through the economy. The Government have already increased stamp duty on commercial property worth more than £500,000 from 1 to 3 per cent.

9 pm

If the Government have their way, the level will rise to 3.5 per cent. Arthur Andersen calculated that an increase of 1 per cent. in stamp duty will lead to a fall in property values of 4.5 per cent. or more, compared with what they would have been. So the effect of stamp duty increases is to reduce the value of the Government's stock of property—worth about £100 billion or £110 billion—by about £5 billion, or more.

That will produce a negative impact on the national balance sheet, but it will have a broader effect on the rest of the economy. The borrowing of the industrial and commercial sector totals about £200 billion, which is roughly equivalent to the value of the property that it holds. Therefore, on the same basis, a 1 per cent. increase in stamp duty reduces the value of property in the commercial sector by £10 billion or more from what it would have been.

That will make it difficult for some commercial organisations to borrow. At best, it ensures that their capacity for borrowing does not expand as it could have done, and that they are unable to make the investments or take on the extra staff that they otherwise would. The main effect of increased stamp duty is to reduce growth and employment levels below what they would have been.

That is true especially of small and medium-sized businesses, which generally do not have access to independent finance and so must rely on the banks for loans. As we have heard—from a former bank manager—the bank's aim is to secure loans on property. In addition, an increase in stamp duty has an effect on the readiness of proprietors and managers to make property purchases and move to better and more suitable premises. Acquisitions are therefore postponed, and the Government get less tax, as my hon. Friend the Member for Guildford explained.

When some such firms are obliged to make a move, they are bunched together, which compounds the cyclical character of the commercial property market, and thus of the economy as a whole. That is surely the last effect that a Government who constantly claim to want to put an end to boom and bust should want to achieve.

The Minister may have a view of the analysis by Arthur Andersen and the London business school. If so, Conservative Members will listen with interest. However, if the analysis is only half or a quarter right—or if it applies only for one tenth of a per cent., in Halton—the Government should still accept the amendment.

If they do not, it will be clear that their vaunted code for fiscal stability is infinitely elastic, and that they prefer a politically easy tax that will reduce growth and jobs to levels lower than they might have been to the political pain of raising the money by another means or of holding down rises in public expenditure. Despite all the concern expressed for small and medium-sized enterprises, it will be clear, too, that the Government are prepared to allow that sector once again to bear a disproportionate share of the burden.

Finally, although the Government claim to be putting an end to boom and bust, it will be clear, if they reject the amendment, that that claim is more of a slogan than a serious objective.

Mr. Bermingham: When I came into the Chamber during the opening speech by the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale), I thought that we were talking about window taxes, so archaic were the arguments and so ancient the principles involved. It gradually dawned on me, thanks to a few probing questions, that the Opposition had reached the beginning of the 20th century, although not the latter part. Opposition Members seem signally to have failed to understand what stamp duty is all about. I declared my interest as a former solicitor a long time ago, Mr. Martin.

We may divide the problem into two sections, private and commercial, and I shall deal first with the private section. Stamp duty in the private section is singularly low. If, as has been claimed, we seek to harmonise with Europe, we have an awful long way to go to reach Ireland's rate of 8 per cent. And Ireland is certainly not

[Mr. Bermingham]

in harmony with Germany, France or Denmark, although all but the last are part of EMU. That argument faces a small hurdle.

Who is affected by high rates of stamp duty? Clearly, it is those who buy posh houses. My constituency is not very rich and there are not many houses that cost more than £200,000. A little area, Eccleston, has some such houses, but £28,000 is nearer the mark for most of the constituency.

Mr. Jack: On a point of order, Mr. Martin. The amendment deals with the effect of stamp duty on business. I have listened for some moments to a discourse on estate agency and big houses. Is the hon. Gentleman in order?

The First Deputy Chairman of Ways and Means (Mr. Michael J. Martin): The right hon. Gentleman is quite right. We are discussing business duties. However, a little leeway is sometimes given so that hon. Members may lead in to their case.

Mr. Bermingham: Thank you, Mr. Martin. I have listened to so much about the private housing sector and the 7,000 people who will be affected in Guildford that I thought that I was quite in order in making a few preliminary remarks.

I pointed out in an earlier intervention that, if one bought £1 million worth of commercial land for redevelopment, the total duty would be roughly £35,500, assuming that the purchase price was around £200,000 an acre, giving £200 per house on a five-acre purchase. In my part of the world, ordinary building land costs about £30,000 an acre, and the figure drops to about £20 for each property. That shows the fallacious stupidity of the Opposition's arguments.

Let me turn to commercial matters. I missed a golden opportunity tonight and I shall be kicking myself into next week. We heard a bank manager speak, and I was desperate to ask whether he considers the banks' 4 per cent. over base to be profit. That question falls outwith the remit of the debate, but I almost succumbed to the temptation, and I shall ask again in future.

What will be the effect on commercial property of increasing stamp duty? People who build commercial property do so for one of two purposes—to sell, or to let. If they build to let, there is, of course, stamp duty on the lease. Everyone knows that. The total cost at which they will lease in a competitive market depends, however, on the amount of property available and the number of lessees.

If property is built for sale, the costs of stamp duty on the purchase of the land will naturally be incorporated. Just as with private homes, the amount involved is pretty insignificant and does not affect the market. However, it begins to drive prices down in both the private and commercial sectors.

What has been wrong with British industry for the past 30 years is that it has looked on commercial properties as capital assets that exist for gain or—by lease back or other means—disposal and retention. That creates an artificial profit that in turn drives up prices in both the commercial and private housing sectors, and that disadvantages everyone.

We need to regulate the commercial sector and educate banks. In particular, we need to educate accountants—the destroyers of British industry over the years—to realise that items on the balance sheet should work for the business, as in the American economy, and not act as a bulk, a safety net or a caution point. What is the use of owning £1 million worth of factory floor space if throughput of £10,000 a month is needed to create a viable business? Renting property rather than buying leaves capital available to be used. If we could only educate the banks and accountants—the death knell of British industry—we might achieve something.

The measure will be cost effective. It will not create a great deal of wealth, but it may drive down private sector housing prices and commercial property costs, both for buying and leasing, a little. If it does that, the economy will benefit.

If ever there were an example of investing to accumulate, it is here. One does not invest in buying, one invests in renting, to give one the space to manufacture. In the end, it is manufacturing, not property, that makes money. Property represents an illusory gain—an illusion that has cost this country dear.

The Opposition have already said that, even if they win the vote on their amendment, they will vote against the clause, which is totally illogical. I ask them to justify the insanity of the position that they have adopted.

Mr. Jack: One is always deeply suspicious about the motives of the Treasury when the Government make a tax change but do not justify it. We are talking about the impact of the changes in stamp duty on business which would result from the amendment that we have tabled suggesting that those who pay the unified business rate should be exempt from the increases in stamp duty.

If the Government had a positive story to tell about why businesses should be subject to higher rates of stamp duty, one would have thought that some mention would have been made of it in the "Financial Statement and Budget Report" before page 99. One has to wait until then to find the simple announcement of the changes in stamp duty rates.

One can conclude by a sort of reverse logic that, as the section of the report that deals with raising productivity and improving the prospects of business does not contain any mention of the changes in stamp duty, they must be bad—QED. Therefore the Government's explanation in their own publication is that the changes do not represent a business-friendly tax. If they did, the Government would have said so.

I shall talk about the impact of the tax shortly, but first I refer the Financial Secretary to paragraph 3.19, on page 37 of the "Budget 99" document—the Red Book. She might find it interesting, because it is the paragraph that eulogises the effect on businesses of the reduction in corporation tax to 10 per cent. on the first £10,000 of profit.

Intriguingly, if the same business that was looking forward to the reduction in corporation tax sold a building worth £250,000 as part of its expansion programme, the increase in stamp duty would negate the additional profits that the Government had allowed it by virtue of the changes in corporation tax.

That simple example illustrates clearly what many hon. Members who have spoken so far seem to have missed: this is not, as the hon. Member for St. Helens, South

(Mr. Bermingham) seems to think, a discussion about big houses. It is about the impact on small and medium-sized enterprises.

The hon. Member for Shipley (Mr. Leslie) seemed to say that, because we were dealing with the sale of property in business terms and there were big numbers involved, in some magical way that made the tax affordable. The hon. Gentleman missed the fact that the assets and capital value of a company, if it has decided to purchase a building—or its major operating costs, if it has decided to lease a building—may be tied up in that building. If the firm moves to expand its premises by sale, or by ending one lease and buying a new one, it will not be able to afford to lose out of its balance sheet the money represented by the increase in stamp duty. That money has to come from somewhere. If the Government increase their take at the point of sale or change of lease under the circumstances that I have described, it will effectively come off the company's bottom line.

Mr. Breed: When a company or business moves, it is an enormous event in its lifetime. A great range of costs is incurred—not only removal, but stationery and so on. What percentage of the total costs does the stamp duty represent?

Mr. Jack: With respect, the hon. Gentleman misses the point. The percentage that it represents is irrelevant. It represents an additional expense, and there would no need for it to be incurred if our amendment was accepted.

I would appreciate it if the Financial Secretary were to respond to my next point. It is instructive briefly to consider the history of stamp duty because it is important that the Government should justify why they change rates and increase the taxes that they impose on business. Interestingly, stamp duty arose in the Netherlands in 1624 as a result of a competition to find a new form of tax. It strikes me that there has been a competition in the Treasury to find novel ways of raising money. When the tax first came to this country in 1694, it was levied on the materials of business of the day—vellum, parchment and paper. Not much has changed in the past 300 years.

I embarked on that historic voyage to make the point that stamp duty's original purpose was to extract tax revenue from company income when there was no corporation tax, uniform business rate or other business tax by taxing capital transactions. The hon. Member for Shipley asked why we should deny ourselves the extra revenue. Given that there are now other means of taxation, can the Financial Secretary say why the Government have chosen to raise additional money from business via stamp duty? I accept the criticism that we did not tackle the question of whether stamp duty was a valid tax but, as the Government have embarked on what I would call exploiting a nice little earner, they should publicly justify why this tax and not others has been chosen.

Labour Members have played down the impact of the changes on the burden on business. I asked the Library to produce a table examining the impact of the stamp duty increase and a commentary on its effect on business. In the financial year that we have just entered, the effect of the changes is £1.3 billion. That rises, in cumulative terms, in the next financial year—taking into account the previous stamp duty changes—to £1.4 billion, with £1.4 billion estimated for the year 2001–02. The total effect of the Government's changes to stamp duty rates will be a cumulative extra tax take of £5.2 billion. It would have been interesting had the Chancellor had the courage when he came into office to say that he proposed to increase business taxes over the next four years by £5.2 billion. He did not have the nerve.

9.15 pm

However, we can see what the effect would have been had the Chancellor done that. I should point out that the amount would be £5.2 billion overall. According to the Library, it is estimated that 60 per cent.—that is £3 billion—will fall on business. That is in addition to the extra taxes that business is already having to bear through the corporation tax changes introduced by the Government. That shows why my right hon. and hon. Friends on the Front Bench described that operation as a stealth tax. It may not occur often in individual businesses, but the cumulative effect shows that the tax has turned into a nice little earner for the Treasury.

It is evidently an uneven tax in its impacts on different parts of the country. In areas where property and land values are higher—London and the south-east—there will be a disproportionate tax burden to bear. However, if we consider the problems of east London and business development there, we find that that area is in almost as much in need as some of the so-called derelict parts of regions such as the north-east and the north-west, which are traditionally seen as difficult. This measure comes from a Government who are supposed to be business friendly.

When we look across the net receipts of Inland Revenue taxes, an interesting pattern emerges, which explains why business is now being asked to pick up the tab for this extra stamp duty. At the beginning of this century, stamp duty was hardly noticeable—it raised only £8 million. However, the total effect of the Government's proposals for the current financial year is that £5.7 billion is written into the Government's estimates. If, as a starting point, we compare the levels of stamp duty that will be raised in the current financial year with the levels in the financial year in which the Labour Government took office, it is clear that stamp duty has risen by plus 65 per cent. in their estimated receipts. If we bear in mind the finding that 60 per cent. of the burden will fall on industry, business and commerce, we begin to see what the Government are about.

I suspect that the Financial Secretary will have received analyses from the Inland Revenue showing that receipts from another business-based tax—petroleum revenue tax—were rapidly dropping and that capital gains tax and inheritance tax were of limited value. She would have been told that stamp duty had magically become the No. 3 earner among Inland Revenue taxes. She would have been told: "What a good idea it would be, Financial Secretary, if you visited this rather neglected area, because it is a nice easy tax. You will not get too many queues of complaining people at your door. Let's have a go". My God, she took the bait in full measure.

However, we must not lose sight of another stealthy bit of Government activity. My hon. Friend the Member for Bognor Regis and Littlehampton (Mr. Gibb) will recall tabling a parliamentary question in which he attempted to elicit the facts about how the tax burden between residential and commercial property would change over

[Mr. Jack]

time as a result of the changes in stamp duty. Interestingly enough, in the financial year 1997–98, 60 per cent. of stamp duty was raised from residential property and 40 per cent. from commercial property. However, the Treasury's own estimate for the year 1999–2000 is that that burden will be evenly shared between business and residential property. There is an element of politics creeping into this issue; it is clear that the Government think that business is a soft touch, and that no one will complain too much, so there is an element of burden shifting.

The burden of stamp duty is rising for business—hence the earlier remarks of my hon. Friends who drew the attention of the Committee to the problems that would arise in the property market. The Financial Secretary should give the Committee some economic analysis—or lay the information in the Library, if she does not have it with her—if it is necessary to repudiate the arguments made by Conservative Members this evening.

The British Federation, whose report by the London business school has been quoted, has spent a lot of money justifying its point of view. Perhaps the Financial Secretary would like to produce her own analysis to reassure, if she feels it necessary, the business community that it will not be adversely affected, as my hon. Friends have predicted.

Without doubt, there are long-term implications. It has been reported that the Government's measures will reduce liquidity in the business sector and inhibit the ability of industry to take on new space. Mr. Angus McIntosh, a director of commercial property consultants Richard Ellis, and therefore someone who is in the front line of business lettings and activities, says that the higher duty could threaten more marginal office and industrial schemes, but adds that the retail market might well find a way around the problems. I thought that the Government wanted to encourage the sort of office and industrial schemes that typify many areas of industrial renaissance. Can the Financial Secretary really be promoting a policy that appears to act against the objectives expressed in other parts of the Budget statement?

One of the Trojan horse arguments that has been advanced in respect of the Government's aims is that their proposals on stamp duty on business are a staging post on the way to higher business taxes, on a par with those of Europe. I join my hon. Friends in asking the Financial Secretary to give us some indication of the Government's policy in that specific area of tax. I know that she cannot stand up and say, "There will be no change in tax rates", because, even though the Government said that, they did not mean it. Instead, I should like her to concentrate on words that she does mean.

The Government find it easy to spend a great deal of time justifying and explaining their actions—for example, in respect of environmental taxes, they explained at length why some of the changes in vehicle excise duty and fuel tax had occurred; and they gave lengthy explanations of what they think are the likely effects on business of some of their changes to corporation tax. The Government clearly know the effect of what they want to do and they can plot the development of that effect in future. Therefore, if the burden on industry of stamp duty is to increase, we can be sure that the Financial Secretary received from the Inland Revenue and the Treasury an analysis of the economic effects of that. She will be doing industry, business, commerce and the Committee a service if she shares those projections with us.

In the interests of stability and forward planning, the Government have been happy to offer their prognostications on the level of certain taxes at the end of this Parliament. If they can do that in respect of income tax or business tax, it is logical to assume that they can do the same in respect of stamp duty. If the Financial Secretary is unable to supply that information, she should tell us why not. A lack of figures would appear to reveal a degree of inconsistency in the Government's approach to projecting the effects of taxes, and the Government should be consistent in their approach to such matters.

9.30 pm

We are not talking about sums of money that are insignificant to the businesses concerned. My hon. Friend the Member for Maldon and East Chelmsford (Mr. Whittingdale) spoke of the slab-slice dilemma, and it is interesting to convert slab-slice into money. The new proposals leave stamp duty on £249,000 deals at £2,490, whereas paying £2,000 more puts another £3,785 on the stamp duty bill. The Financial Secretary should explain why that sort of cliff-edge philosophy still finds a place in the Treasury.

It is sad that the contributions from the Government Benches have lacked any imagination. If the Government propose to use stamp duty as a creative tool, they should offer some imaginative suggestions as to its application. For example, why have the Government not considered relieving businesses in objective 1 or 2 areas of the stamp duty changes? That would be a positive way of encouraging new business development. By contrast, the Government have adopted a uniform approach. Why is there no regional differentiation? Why is the Treasury not using some imagination? As was mentioned earlier, why do the Government not encourage developments on brown-field sites by relieving them of stamp duty increases as a way of encouraging the use of such sites?

It seems that the Government are using stamp duty as a blunt instrument. They have not thought about it creatively—and it is time that they did. As a result of the Government's proposals, stamp duty on a £500,000 deal will rise to £17,500 per transaction. Stamp duty on a £3 million deal—which is modest by industrial standards—will increase from £90,000 to £105,000. An increase of £15,000 is not insubstantial.

Will the Financial Secretary comment on the findings that these proposals will reduce property values? A 1 per cent. increase in stamp duty will reduce property values by £25.6 billion. Several of my hon. Friends have said that Government stock will be reduced by £5 billion. Does the Financial Secretary agree with that figure? Has the resource accounting mechanism—which will be introduced shortly—made any allowances for that loss in value to business?

Does the Financial Secretary agree that the changes will amplify the fact that tax rates are rising in this country? Taxes on property in the United Kingdom are already twice the European Union average when expressed in gross domestic product terms. Tax equals 3.7 per cent. of GDP. Why is it necessary to raise business taxes further as a result of these proposals?

Has the Financial Secretary given any thought to introducing into this country the types of stamp duty exemptions that exist in other European regimes? For example, in Portugal, public bodies, social housing and business reorganisations are exempt from stamp duty, full stop—never mind any increases. I dwell on this point because, if the Government are anxious to develop stamp duty as a tax, it would be useful to know whether they will apply it creatively. If they do not, they will have to contend with a large avoidance industry.

It is unusual for tax avoidance practitioners to declare their hand. However, the Financial Secretary will find that, as businesses seek ways around the tax increases, the avoidance industry will limber up, ready to turn property and land into companies with share capital—bearing in mind that there is only 0.5 per cent. stamp duty on share transfers—that can be bought and sold. The higher rate will be 3 per cent. under the Government's proposals. Is that not a sure-fire way of relinquishing income in terms of business tax?

Mr. Bermingham: Is the right hon. Gentleman trying to tell the Committee that if Jack Investments Ltd.—I use the right hon. Gentleman's name as an example—has among its assets a factory and a green-field site, it will create a new company to take those two items from Jack Investments Ltd. so that the new company can be sold, and the factory and the green-field site can therefore be sold as shares in that company rather than as assets? That is totally ridiculous.

Mr. Jack: The hon. Gentleman says that it is totally ridiculous, but perhaps he would like to explain that degree of ridicule to the authors of the London business school report, who advance the view that I have just explained. The hon. Gentleman is entitled to his view, but I am certain that, in transactions of sufficient size, that type of avoidance mechanism will be used, particularly if the Government continue to increase the rate of stamp duty. Why should people pay tax unnecessarily if, to put it bluntly, there is a cheap way round it?

Mr. Bermingham: In such a mechanism, property would be assets bought by a company. If they were then sold on to a new company, there would be a capital gains tax liability, which would be a cost on the company, so to save a few pounds companies might create a tax loss of many thousands of pounds. To respond to the right hon. Gentleman's earlier point, I shall willingly take on the authors of that report—they do not seem to know what they are talking about.

Mr. Jack: The hon. Gentleman did not consider the roll-over mechanisms in capital gains tax. I am absolutely certain that people would take those into account.

Conservative Members have performed sufficiently well in the debate to demonstrate that the Government must clearly answer many questions to justify their proposal. The amendment would try to relieve business from that unnecessary tax.

Before I end my remarks, may I apologise to you, Mr. Martin, and the Committee for not at the outset declaring my registrable business interests, which are in the Register of Members' Interests, in case anybody is concerned that they might have influenced what I had to say.

Mr. Clifton-Brown: Many points have already been made, so, in view of the hour, I shall keep my remarks brief. Before I begin, I should declare that I have property interests that could possibly be affected by the amendment and the clause. They are declared in the Register of Members' Interests.

Clause 99 increases stamp duty on the transfer of property valued at over £250,000 but less than £500,000 from 2 to 2.5 per cent., and on property valued at over £500,000 from 3 to 3.5 per cent. It is worth noting that this is the third time in two years that the Government have increased stamp duty. It is worth noting also that, for the bulk of the 18 years of Conservative government, stamp duty was fixed at 1 per cent. All objections to the tax have been multiplied many times because of its increase from 1 per cent. to a top rate of 3 per cent. I point that out in reply to the repeated interventions from the hon. Member sitting below the Gangway, who, I think represents Birmingham—

Dr. Lynne Jones (Birmingham, Selly Oak): I am sitting below the Gangway, but the hon. Gentleman is confusing the name of the Member to whom he refers with that Member's constituency. I am a Member who represents Birmingham, but the hon. Gentleman who spoke is my hon. Friend the Member for St. Helens, South (Mr. Bermingham).

Mr. Clifton-Brown: The hon. Lady has made a stupid, cheap point. She knows perfectly well to whom I was referring.

Mr. McKee of the British Property Federation has said that we shall hear a wide variety of debate in industry about whether a 3 per cent. stamp duty is too much or whether it is not yet too much, but the real question is, "What are the Chancellor's plans for stamp duty?" That is the real question in this debate. The property industry and all the institutions connected with that industry are entitled to ask the Government what their long-term strategy is for stamp duty. Unless they have some answers to those questions, they will draw their own conclusions.

Like my hon. Friends, I shall quote a few facts and statistics from the Arthur Andersen report, compiled jointly with the London business school. One of its most startling predictions was that, in the short term, a 1 per cent. increase in stamp duty would lead to a decline in gross domestic product of 0.02 per cent. in year 1 and a 0.06 per cent. in year 3, and that this would be accompanied by a reduction of 11,300 people in work by year 4. In the longer term, additional factors would increase the reduction in GDP to some 0.05 to 0.1 per cent. I am pretty certain that not even the Government can tell the Committee tonight that the increase in stamp duty will have anything other than a deleterious economic effect.

It is worth noting how important the commercial property sector, which will be affected by this tax, is to the economy. It is worth approximately twice the entire gilt market. Although, in the mid-1980s, the value of United Kingdom equities was about 50 per cent. greater than that of commercial property, it is now three times

[Mr. Clifton-Brown]

that of the commercial property sector. That illustrates the relative decline in commercial property as an investment medium. There is no doubt about it: in an increasingly international world, our investing institutions that invest in properties will carefully monitor transaction costs and, if they find that transaction costs on property are significantly higher in the UK than those not just in the rest of Europe but in the rest of the world—as is the case even now, when total property transaction costs amount to about 10 per cent.—they will vote with their feet and invest elsewhere, and that inward investment and our own domestic investment will be invested elsewhere.

It may be worth considering how we compare with some other European countries. As I pointed out in an intervention, the UK has the highest property transaction costs in the European Union, amounting to some 10.5 per cent.—higher than those in Luxembourg, our nearest rival, whose costs are about 8 per cent. In Austria, such costs are about 1.5 per cent., so UK costs are significantly higher.

As I also said in my intervention, France has become so worried about the effect of high property transaction costs that it has cut its transaction tax drastically, from a huge 18.5 per cent. to 4.5 per cent. The rate in Germany—perhaps our nearest major rival—is only 3.5 per cent.

Therefore, I would severely caution the Government, if they have it in mind to increase stamp duty significantly in future years. Although, on the surface, it might appear to be a cheap tax to collect and a soft option—indeed, a very good candidate for Labour's stealth tax—the longer-term effect on business activity in the UK is likely to be significant.

There are other aspects in which stamp duty is significant. As hon. Friends have mentioned, it has a big effect on company liquidity, reflected in balance sheets. It has been argued tonight that it is wrong for companies to own their commercial property, but I believe that that is pretty dangerous advice coming from a bank manager who is talking and not even listening to my speech, because he knows that many companies—including some of our best companies, such as Marks and [illegible]—own virtually all their shops, and they have found that in the longer term, that benefited them greatly.

Mr. Breed: Will the hon. Gentleman give way?

Mr. Clifton-Brown: As I have mentioned the hon. Gentleman, I give way.

Mr. Breed: Does the hon. Gentleman suggest that that will continue to happen in the next two or three years?

Mr. Clifton-Brown: It all depends on whether the Government take us into the euro, on long-term and short-term interest rates, and on how rents respond to competition. There are so many unknown factors that it is impossible to predict. I will not give any company generalised advice; I simply caution companies not to assume automatically that it will be cheaper to rent than to own property. That conclusion cannot necessarily be drawn.

I recall that, last year, commercial property shares took a real hammering after the Government increased stamp duty, and I would expect the same thing to happen this year. I would also expect the value of commercial property immediately to be written down in the balance sheets of most firms' property portfolios. Any investing company will require a high yield, and that will have to be reflected in either commercial property transaction prices or higher rents for trading companies. We cannot necessarily draw any particular conclusions.

9.45 pm

Arthur Andersen has estimated that, even on conservative assumptions, an increase in stamp duty from 3 to 4 per cent. would decrease the value of commercial properties by 4 to 7 per cent. That would imply that the total value of commercial property would decline at a stroke, through the imposition of the clause, by between £25 billion and £42 billion. That shows that the clause will have a significant effect on business activity.

The three increases in stamp duty have already had an effect. Commercial property is now valued at about £193 billion, whereas, at the end of the 1980s, it was valued at about £280 billion. That has an effect on liquidity and on the ability of companies to borrow on the basis of the value of the commercial property held in their portfolio.

We should be looking to lower taxes for business. We want to stimulate business activity. We should not allow the cosy assumption that we shall harmonise taxes in Europe to lead us automatically to assume that taxes will be increased. This country should be a beacon in Europe—I hope that my hon. Friend the Member for Maldon and East Chelmsford (Mr. Whittingdale), who is on the Opposition front Bench, is listening to this, because I am sure that it will be of interest to him—for lowering taxes, not increasing them.

As I said yesterday, if we continue increasing taxes, as we are doing in this instance by raising stamp duty, we shall make more and more people unemployed. Total unemployment in Europe is now 18.5 million; with increased business taxes, it will become even worse. We shall make Europe even more uncompetitive compared with the rest of the world.

I have recently returned from Hong Kong—this is declared in the Register of Members' Interests. It is enshrined in the Basic Law that the maximum level of taxation in Hong Kong is 15 per cent. Every politician and every civil servant should be required to visit Hong Kong to see what a proper deregulated economy could do.

We should examine carefully what an increase in stamp duty will do. By far the largest amount of stamp duty is paid by the commercial sector. My hon. Friend the Member for Maldon and East Chelmsford is right to try to exempt commercial property. If we do not recognise the property investment sector as an important international investment medium, we shall suddenly find that inward investment will decline. The previous Conservative Government were successful in bringing investment into the country. At one point, over a 10-year period, we managed to attract a quarter of all the inward investment into the EU; that probably created 1 million jobs. It would be a tragedy if this Government, with their tax-raising ideas, started to reverse that trend and increased unemployment. I do not want that to happen, and nor do my constituents.

When the Financial Secretary sums up, I hope that she will give us an idea of the effect of the burden on industry of the increase in stamp duty. Much more importantly—

I return to where I started—I ask her to give the property industry an indication of her long-term strategy for stamp duty so that it can plan its investments, which, by their very nature, are long term, and so that investors can plan with certainty on the basis of a degree of known facts.

The Financial Secretary to the Treasury (Mrs. Barbara Roche): We have had a long, but thorough, debate on the amendment, which would exclude from the increases in the higher rates of duty any transfers of property to which the uniform business rate applies. Clearly, the amendment's purpose is to introduce a stamp duty relief for commercial property. Let me say at the outset that I do not believe that such a relief is called for, and I shall explain why.

The commercial sector of the property market is in sound condition and should be well able to absorb these small increases without serious difficulties. My hon. Friends the Members for Halton (Mr. Twigg) and for St. Helens, South (Mr. Bermingham) pointed that out.

According to the Investment Property Databank, the commercial property market has been strengthening in 1999. Returns from investment in property over the past three years—at 9.4 per cent. a year, adjusted for inflation—have been considerably better than the long-term average of 5.9 per cent. since 1986. Stamp duty is only one of the considerations involved in buying or leasing property; other economic factors, such as long-term interest rates and increases in capital values, are much more important.

The hon. Member for Maldon and East Chelmsford (Mr. Whittingdale) raised a number of issues and I shall deal with them in turn. He asked whether there was a secret agenda to harmonise stamp duty with Europe. The Conservative party knows a great deal about secret agendas, but this evening I shall not dwell—not at length, at any rate—on its misery. United Kingdom rates are moderate; there is no European proposal to harmonise stamp duty, and there is certainly no secret agenda.

The hon. Gentleman then said that rises will wound ordinary home owners in the south-east. May I point out to him that ordinary home owners—on whom we have concentrated this evening—are enjoying the lowest mortgage rates for 33 years? I know that that is very popular in the country. He also spoke about something that is known as the slice system; I say that for the benefit of those Members who have just joined us in the Chamber. This is an example of the Opposition not fully costing their proposals.

Such a proposal would be incredibly expensive—it would cost £890 million—and lead to higher rates and a much more complex system. *[Interruption.]* The hon. Gentleman protests, but he is one of the people who have argued for simplicity. During our exchanges last week, I told him how much I admired his stance on deregulation. He has criticised Governments for not deregulating enough, but—as I had to point out to him last week, and have to point out to him again—the only problem is that he has been criticising the previous Conservative Government.

Mr. Clifton-Brown: Will the Financial Secretary give way?

Mrs. Roche: Let me make some progress, because I want to deal with what the hon. Gentleman said.

The hon. Member for Maldon and East Chelmsford also said that we were weakening the competitiveness of the City of London; that is certainly not its view. The Government are absolutely committed to maintaining a competitive environment in which the City can prosper.

The hon. Member for Guildford (Mr. St. Aubyn) raised a number of issues and, again, I shall deal with them in turn. He argued that a stamp duty increase would prevent local government from increasing taxes and asked whether the Government were carrying out a smash-and-grab raid. I note his enthusiasm for higher local taxes and I am sure that his proposal will be disseminated widely in his constituency. His argument is absolute nonsense.

The hon. Member for Guildford also said that the increase in duty on commercial property reduced the value of the Government's assets, outweighing the increase in tax revenue. The hon. Member for South-East Cornwall (Mr. Breed) rightly said that he could not see the point in that, but I am glad that the hon. Member for Guildford is taking an interest in the public finances. How unlike the record of the Government whom he would have supported, had he been a Member of the House at the time. Under that Government, borrowing reached £50 billion and the national debt doubled. It needed this Government to—

Mr. Jack: The Financial Secretary has just played back the remark made by my hon. Friend the Member for Guildford (Mr. St. Aubyn) and by me about the estimated drop in the Government property portfolio as a result of these proposals. She went on to make a party political point. May I bring her back to that figure and ask whether she agrees with it? If so, has any adjustment been made for that fact in the resource accounting procedures?

Mrs. Roche: No, I do not agree with it. I shall go on to discuss some of the points that the right hon. Gentleman made, because the Committee wants to hear about them.

The right hon. Member for Fareham (Sir P. Lloyd) and various others mentioned some of the points that were made in the report sponsored by the British Property Federation. It was a technical report and there is always great scope for different opinions, forecasts and analyses. I do not agree with all the conclusions reached in it.

Mr. Clifton-Brown: I think that I heard the Financial Secretary say that the cost of our amendment would be a staggering £800 million. Will she explain where she gets that figure, given that the Red Book shows that implementing the entire clause will raise only £270 million this year, £310 million next year and £340 million in 2001–02?

Mrs. Roche: Certainly. It is getting rather late for some hon. Members, but I say with the greatest respect—as I used to say in another capacity—that the hon. Gentleman should listen to what I say. I was talking about his proposals for slab and slice, not the proposals in the amendment. I shall come a little later to the costs of that.

The right hon. Member for Fylde (Mr. Jack) said that, in his view, the Government had shifted the burden on to business. Both residential and commercial property deals will face exactly the same tax rate, which is why it is fair.

[Mrs. Roche]

He also mentioned exemptions. The Conservative party has been going on for weeks and weeks about the Government introducing complexity in the tax system; yet Conservatives seek to introduce further complexity. The right hon. Gentleman gave us an interesting history lesson on how stamp duty was introduced. His speech amounted to an attack on stamp duty, but I note that, when he was a Treasury Minister—he held my post—he did nothing to abolish it. It is no good the right hon. Gentleman telling the Chamber, "It was nothing to do with me, guv; I was only the Financial Secretary."

Mr. Jack: Will the hon. Lady give way?

Mrs. Roche: No, I have already given way and I must make progress. *[Interruption.]*

The First Deputy Chairman: Order. Perhaps we could have less noise from the Treasury Bench. The only sound that I want to hear is from the Minister.

10 pm

Mrs. Roche: Thank you, Mr. Martin. That is the nicest thing that anyone has said to me all evening.

What would the amendment do? As I said, it would introduce considerable complexity into the administration of what is essentially a straightforward tax, the efficiency of which depends on a rapid turnover by the stamp office of a large number of documents. That was well pointed out in an excellent contribution by my hon. Friend the Member for Shipley (Mr. Leslie).

Once again, the Opposition have proposed a measure that would lead to greater complexity, and has not been costed. In answer to the hon. Member for Cotswold (Mr. Clifton-Brown), I say that the amendment would have a revenue cost of about £175 million. During the debate, the hon. Member for Maldon and East Chelmsford was asked whether he had costed the amendment, and he could not give an answer. The Opposition owe a duty to the Committee to say from where the money would come. No wonder they completely mismanaged the public finances.

Why should the voters listen to a party that no longer seems to know what it believes in on finance? Last summer, the shadow Chancellor denounced as "reckless" my right hon. Friend the Chancellor's £40 billion spending plans for health and education. This week, the shadow Chancellor promised that a Conservative Government "would adopt them". Those are not my words: I was quoting from the *Daily Mail*, so the Conservatives seem to have lost the confidence of another section of the press.

The amendment is neither desirable nor necessary. For the reasons I have given, I ask the Committee to reject it.

Mr. Gibb: Clause 99 introduces yet another rise in stamp duty rates in what the Prime Minister pretends is a tax-cutting Budget. It will raise £270 million this year, £310 million next year and £340 million the year after. That follows two previous Labour Budgets which increased stamp duty rates. The March 1998 Budget increases raised some £500 million a year in extra stamp duty revenues, and Labour's first Budget in July 1997 also raised £500 million a year in extra stamp duty revenues. That is £1.3 billion of yearly extra stamp duty to be paid by the British people and British business as a result of electing a Labour Government to power in May 1997. The Government were elected on a clear pledge not to raise taxes. *[Interruption.]*

The First Deputy Chairman: Order. The Committee should come to order. It is bad manners. The hon. Gentleman should be heard.

Mr. Gibb: Thank you, Mr. Martin.

When the Chancellor first introduced his stamp duty escalator in July 1997, he gave house price stability as his reason for doing so. He said:

"I will not allow house prices to get out of control".—[*Official Report*, 2 July 1997; Vol. 297, c. 313.]

However, house prices in the residential sector are rising, and the stamp duty increases are having little or no effect on prices. That is the view of residential property estate agents. Simon Tyler of Chase de Vere was quoted in *The Sunday Times* on 14 March. *[Interruption.]*

The First Deputy Chairman: Order. Hon. Members at the Bar should be quiet.

Mr. Gibb: I am grateful to you, Mr. Martin.

Simon Tyler of Chase de Vere said:

"Most people will add the cost to their mortgages so I shouldn't think it will affect the property market too much."

When the Chancellor introduced this latest tax hike, he said that 96 per cent. of home sales would be unaffected, implying that only richer households will be affected. However, it will affect a much wider section of society because it will affect business—small business in particular. As the Association of British Insurers has said, the recent stamp duty increase

"has been presented as affecting those in more expensive housing. It also applies to commercial and industrial property where it bites at a low level.

The effect is to increase costs for many start-up businesses discouraging would-be entrepreneurs and investors backing them."

The Institute of Directors has also criticised the rise. It says:

"We deplore the increase in stamp duty on property transactions of over £250,000. It will affect only a small proportion of domestic properties, but a much larger proportion of business properties."

The institute goes on to make the important point that transfers of goodwill and patents will also be affected. Moreover, a written answer from the Economic Secretary to the Treasury, referred to by my right hon. Friend the Member for Fylde (Mr. Jack)—*[Interruption.]*

The First Deputy Chairman: Order. It is not good that the Chair should have to keep bringing the Committee to order; it is not fair on the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb).

Mr. Gibb: Thank you, Mr. Martin.

The answer from the Financial Secretary's colleague, the Economic Secretary, reveals that three quarters of the tax revenue from the 3.5 per cent. rate of stamp duty comes from commercial properties, while only a quarter comes from residential properties—a point that was

omitted from the Chancellor's speech and, incidentally, from this year's notes on clauses, although it was clearly set out in last year's. The candle burns late into the night at the Treasury so that people can excise such unhelpful paragraphs.

My hon. Friend the Member for Guildford (Mr. St. Aubyn) was right to point out that the 0.5 per cent. increase in stamp duty will knock billions of pounds off the value of Government property, while raising only a few hundred million pounds. That will be crucial when the Government introduced resource accounting. It will not just mean a paper transaction; it will determine tax and spending plans. My hon. Friend was also right to point out that the increase in stamp duty is a tax on mobility.

The hon. Member for Halton (Mr. Twigg) made a marvellous attack on the competence of Arthur Andersen, in connection with a report that he has not even read. Perhaps Arthur Andersen should consult the hon. Gentleman and take advantage of his expertise when it next produces a report. The hon. Member for South-East Cornwall (Mr. Breed), a former bank manager, expressed concern about the amount of secured borrowing: he thinks that business should reduce it. Well, he would, wouldn't he, being a former bank manager.

My right hon. Friend the Member for Fareham (Sir P. Lloyd) is right to demand clarity on the Government's medium-term intentions on the rate of stamp duty, and my right hon. Friend the Member for Fylde is right to be suspicious of Governments who change taxes without saying why. As my right hon. Friend pointed out, that must mean that the Government themselves believe the tax rise involved to be bad, and to be particularly bad for small businesses.

Firms are genuinely concerned about the extra cost that the clause will impose on dynamic business. It is yet another burden to add to the catalogue of additional burdens on business introduced by the Government since May 1997. What worries businesses particularly—as my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) and others have said—is where the future lies. What future stamp duty increases can we expect? Will McKee, director-general of the British Property Federation, said last year:

"the real question is: where is the Chancellor going with stamp duty."

Steve Mallen, head of research at Knight Frank, said:

"the shrewd investor"—

and there are shrewd investors sitting opposite me—

"should assume stamp duty will continue to rise towards continental levels."

So what are the Government's intentions? The Minister should have given business some certainty and stability. She should have spelt out the Government's policy with regard to future stamp duty rates. Will the rates continue to rise, and, if so, to what level? Will they rise to the 12.5 per cent. to which they have risen in Belgium, to the 6 or 4.5 per cent. to which they have risen in France, to the 9 per cent. level reached in Greece, to the 6 per cent. level reached in Luxembourg, the Netherlands and Spain or to the 10 per cent. level reached in Portugal? If stamp duty rates are not to continue to rise, why has not the Minister given the same guarantee that the Chancellor has given regarding corporation tax rates—that there will be no further increases for the remainder of this Parliament?

In Labour's first three Budgets, we have seen three stamp duty rises. We have seen the rate increased from 1 to 2.5 and 3.5 per cent. As with all stealth tax rises, the effects of this are capricious and unplanned. The impact on residential properties is more severe—*[Interruption.]*

The First Deputy Chairman: Order. Again, I appeal to the Committee to come to order.

Mr. Gibb: Thank you, Mr. Martin.

Like all stealth taxes, the increase's effects will be capricious and unplanned. It will have a more severe impact on residential property in the south-east than elsewhere in the United Kingdom, and will hurt small businesses disproportionately more than large ones. If the Government are true to their rhetoric that the stamp duty increase is only about "cooling" the housing market, they should feel perfectly happy about accepting amendment No. 3, which would disapply the increase to business property. If they cannot accept the amendment, I urge the Committee to demonstrate its opposition to just another stealth tax by voting for the amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 126, Noes 308.

Division No. 156] **[10.10 pm**

AYES

Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Beggs, Roy
Bercow, John
Beresford, Sir Paul
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Cash, William
Chope, Christopher
Clappison, James
Clark, Dr Michael *(Rayleigh)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Donaldson, Jeffrey
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Heseltine, Rt Hon Michael
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
McLoughlin, Patrick
Maples, John
Mates, Michael
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Ottaway, Richard

Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
St Aubyn, Nick
Sayeed, Jonathan
Shepherd, Richard
Simpson, Keith *(Mid–Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Thompson, William
Tredinnick, David
Trend, Michael
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Wilkinson, John
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Mrs. Caroline Spelman and Sir David Madel.

NOES

Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, Donald *(Swansea E)*
Armstrong, Rt Hon Ms Hilary
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Baker, Norman
Ballard, Jackie
Barnes, Harry
Battle, John
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Best, Harold
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Blunkett, Rt Hon David
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brinton, Mrs Helen
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Caborn, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Rt Hon Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Campbell–Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Coleman, Iain
Connarty, Michael
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Rt Hon Dr Jack *(Copeland)*
Cunningham, Jim *(Cov'try S)*
Curtis–Thomas, Mrs Claire
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Field, Rt Hon Frank
Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings)*
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Harris, Dr Evan
Harvey, Nick
Heal, Mrs Sylvia
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hinchliffe, David
Hodge, Ms Margaret
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Howells, Dr Kim
Hoyle, Lindsay
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn'Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lock, David
Love, Andrew
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McFall, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall–Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Michie, Bill *(Sheff'ld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
Oaten, Mark
O'Brien, Bill *(Normanton)*
O'Neill, Martin
Opik, Lembit
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Powell, Sir Raymond
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quin, Rt Hon Ms Joyce
Quinn, Lawrie
Radice, Giles
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*

Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Ryan, Ms Joan
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Steinberg, Gerry
Stevenson, George
Stott, Roger
Strang, Rt Hon Dr Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Webb, Steve
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Willis, Phil
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wright, Anthony D *(Gt Yarmouth)*

Tellers for the Noes:
Mr. Keith Hill and
Mr. Kevin Hughes.

Question accordingly negatived.

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 305, Noes 127.

Division No. 157] **[10.26 pm**

AYES

Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Armstrong, Rt Hon Ms Hilary
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Ballard, Jackie
Barnes, Harry
Battle, John
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Begg, Miss Anne
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Benton, Joe
Bermingham, Gerald
Best, Harold
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brinton, Mrs Helen
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Cable, Dr Vincent
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Rt Hon Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clark, Paul *(Gillingham)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Coleman, Iain
Connarty, Michael
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Rt Hon Dr Jack *(Copeland)*
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Field, Rt Hon Frank
Fitzsimons, Lorna
Foster, Rt Hon Derek
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings)*
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Harris, Dr Evan
Harvey, Nick
Heal, Mrs Sylvia
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hinchliffe, David
Hodge, Ms Margaret
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Howells, Dr Kim
Hoyle, Lindsay
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lock, David
Love, Andrew
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McFall, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Michie, Bill *(Sheff'ld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moonie, Dr Lewis
Moran, Ms Margaret
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George

Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
Oaten, Mark
O'Brien, Bill *(Normanton)*
O'Neill, Martin
Öpik, Lembit
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Powell, Sir Raymond
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Purchase, Ken
Quin, Rt Hon Ms Joyce
Quinn, Lawrie
Radice, Giles
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Ryan, Ms Joan
Salter, Martin
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Steinberg, Gerry
Stevenson, George
Stott, Roger
Strang, Rt Hon Dr Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Vaz, Keith
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Williams, Alan W *(E Carmarthen)*
Williams, Mrs Betty *(Conwy)*
Willis, Phil
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wright, Anthony D *(Gt Yarmouth)*

Tellers for the Ayes:
Mr. Keith Hill and
Mr. Kevin Hughes.

NOES

Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Beggs, Roy
Bercow, John
Beresford, Sir Paul
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Cash, William
Chope, Christopher
Clappison, James
Clark, Dr Michael *(Rayleigh)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cormack, Sir Patrick
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Donaldson, Jeffrey
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forsythe, Clifford
Forth, Rt Hon Eric
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Heseltine, Rt Hon Michael
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
McLoughlin, Patrick
Maples, John
Mates, Michael
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Ottaway, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Ross, William *(E Lond'y)*
Ruffley, David
St Aubyn, Nick
Sayeed, Jonathan
Shepherd, Richard
Simpson, Keith *(Mid-Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Thompson, William
Tredinnick, David
Trend, Michael
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Wilkinson, John
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Noes:
Mrs. Caroline Spelman and
Sir David Madel.

Question accordingly agreed to.

Clause 99 ordered to stand part of the Bill.

Bill (Clauses 2, 28 and 99) reported, without amendment; to lie upon the Table.

Ordered,

That, during the proceedings on the Finance Bill, the Standing Committee on the Bill shall have leave to sit twice on the first day on which it shall meet.—*[Mr. Robert Ainsworth.]*

DELEGATED LEGISLATION

Mr. Deputy Speaker (Mr. Michael J. Martin): With permission, I shall put together the motions relating to delegated legislation.

EDUCATION

Ordered,

That the Education (Budget Statements and Supplementary Provisions) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.

That the Education (Education Standards Etc. Grants) (England) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.

That the Education (School Organisation Committees) (England) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.

That the Education (School Organisation Plans) (England) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.

That the Education (Transition to New Framework) (School Organisation Proposals) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.—*[Mr. Robert Ainsworth.]*

Rail Freight Noise

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Robert Ainsworth.]*

10.41 pm

Mr. Graham Brady (Altrincham and Sale, West): I am grateful for the opportunity to raise a matter of considerable importance to many of my constituents and to many other people throughout the country. I am glad to see the Under-Secretary of State for the Environment, Transport and the Regions, the hon. Member for Hampstead and Highgate (Ms Jackson), in the Chamber at this hour. I have always found her to be courteous and helpful in previous exchanges in the House. In her previous profession, the B-movie probably preceded the main business in the cinema but, on this occasion, the B-movie is coming after the main business considered by the House. None the less, although it may be a B-movie for those hon. Members who are leaving the Chamber, it is a matter of the greatest concern to many people.

My interest in raising this matter lies in the fact that I am strongly in favour of the movement of freight by rail. It is of great environmental benefit. I have a non-pecuniary interest in that I am co-chairman of the all-party rail freight group. I hope that that demonstrates my credentials as someone who is pleased to see the success of the rail freight industry. I am pleased about the enormous growth in rail freight that has taken place since the privatisation of the railways. That is most welcome.

In the short time available for the debate, I shall concentrate on some slightly more negative points connected with rail freight, but I hope that, in doing so, I shall address them constructively. Only if proper attention is paid to the environmental difficulties that can be caused by rail freight for those who live closest to rail freight facilities can the necessary expansion of rail freight take place in a way that will benefit our country and bring overall benefits to the environment. There can be enormous environmental dividends, but only if the industry is fair to its neighbours.

I have stated my own broad support for the expansion of rail freight, but, in raising the real and reasonable concerns of hundreds of families in my constituency who are affected by problems of noise and vibration from such freight movements, I am especially keen to acquit them of the charge of nimbyism. I allude to the particular problem caused by the transport, daily, of large quantities of limestone from quarries in Buxton to the Brunner Mond chemical plant in Northwich. I note that the hon. Member for Weaver Vale (Mr. Hall) is in the Chamber, although I am not sure in which capacity. I presume that he is here because of his constituency interest in the matter.

Freight from Buxton flows, by a slightly odd circuitous route, through the constituencies of Hazel Grove; Altrincham and Sale, West; Tatton; and Weaver Vale. I have had cause to be grateful to my parliamentary neighbour the hon. Member for Tatton (Mr. Bell) for his support and assistance.

This evening, I am pleased to have the coincidental support of the Environment, Transport and Regional Affairs Select Committee, which today published its report on the integrated transport White Paper. I am sure

[Mr. Graham Brady]

that the Minister will have been reading the report all day and that she will be familiar with its contents. She will have noted that paragraph 164 states:

"Despite the wider environmental benefits of an increase in rail freight, there are likely to be disadvantages, in some cases severe, for people living close to railway lines. It will be necessary, therefore, for improvements in rolling stock and track technology to be exploited to the full in order to minimise the noise and other environmental impacts generated by freight trains."

It is a coincidence that that report has been published on the same day as my Adjournment debate takes place, but I am pleased to have the Committee's clear support. We need to accept that a balance must be struck between the overall environmental benefits of carrying freight by rail and the severe difficulties that can be suffered by those who live closest to rail freight facilities.

As I said, I am keen to acquit my constituents of any charge of nimbyism because the flow of freight has gone on for decades. The railway line in question runs adjacent to the playing field of my old school, and I remember watching the wagons of long trains pass during the day. However, the flow of trains laden with limestone continues at night, and that became a significant problem towards the end of 1997, when the wagons were replaced.

On 10 February 1998, the freight operator, English, Welsh and Scottish Railways, sent a constituent of mine a letter which stated:

"The way the wagon is made and its running characteristics does induce more noise and vibration".

It is clear and it is accepted by all the parties involved—by Brunner Mond, the customer, EWS, the carrier, and Railtrack, the operator of the track infrastructure—that the problem is a relatively new one. Although everyone accepts that the provision of limestone to the Brunner Mond plant is essential to the conduct of its business, all the parties to the affair recognise that there has been an increase in the noise and vibration nuisance generated by that necessary flow of freight.

It is important to recognise that, in densely populated residential areas—such as Timperley and Hale in my constituency, where the railway lines runs very near to some residential properties—it is only acceptable for freight flows to continue if maximum efforts are made to mitigate the environmental nuisance that they cause. Although I accept that none of the companies involved has acted deliberately, in the case that I describe, far from being mitigated, the environmental nuisance has been increased unnecessarily by a change in the technology employed.

As I said, the problem affects hundreds of families in my constituency, and I shall allude to a few of them. Mr. Wilson wrote to me to say that he is

"woken at 5 in the morning to vibrations which make my whole house shake".

He adds that the vibrations must register five on the Richter scale, which might be a slight exaggeration, but I am sure that, in the small hours, the vibrations feel all too real to sufferers. Mr. Carr, who has lived in the area for three and a half years, wrote to me saying that, although the 4 am train used to pass virtually unnoticed,

"Last night four trains came by between 4 and 6.30 am."

These people have been woken repeatedly, night after night, in the small hours. They are suffering a real loss in their standard of living and are very concerned about potential damage to their properties.

I should note at this point that Railtrack has attempted to help by commissioning some studies of the vibration levels involved. Preliminary reports suggest that the level of vibration, although clearly noticeable to those who live near the railway line, is not sufficient to cause structural damage to properties. That may be so, but it is definitely sufficient to cause major disruption to the lives of many of my constituents. They are losing sleep and remain concerned about structural damage to their houses. The problem must be tackled even if their properties are not in immediate danger.

Steps are being taken to improve the situation. The Minister will be aware that this is the third time that I have raised the matter in the House. I previously asked questions of Ministers at the relevant times and this is my first Adjournment debate on the subject. I have also written to Ministers outlining my concerns and those of my constituents. The responses have always been helpful, but ministerial replies have improved in recent months as there is increasing recognition that this is a real problem that must be addressed. In her letter to me of 8 April 1998, the Minister wrote:

"Such is the demand for railfreight wagons, due to the increased carriage of goods by rail, that in this case the customer was not able to hire quieter wagons. EWS can only run trains to meet the requirements of their customers and at times when Railtrack can allocate train paths so, as in this case, freight trains tend to operate through the night, leaving the tracks free during the day for passenger traffic."

The Minister makes a perfectly reasonable observation, but the tone of her letter fails to acknowledge the real difficulties that people face in their daily lives. I am pleased to see appreciation of this problem increasing. A representative of EWS also wrote to me on 8 April 1998 and that letter contains the simple statement:

"At present I don't believe there are any further steps we can take to improve the situation".

However, there have been a considerable number of suggestions about the way to proceed.

My purpose in initiating this debate is to try to focus on what can be done practically to help my constituents and those of neighbouring Members of Parliament who are suffering as a result of this problem. The tone of the responses from Railtrack, Brunner Mond and EWS is always helpful. They make it clear that they are exploring ways of ameliorating the problem—for example, they are considering altering the speed of the trains, which may improve the situation. I am told that they are investigating the possibility of improving the track with continually welded sections, which may reduce the noise and vibration. I also understand that Brunner Mond, with the support of EWS, has applied to the Department of the Environment, Transport and the Regions for a freight facilities grant in the hope that the design of its wagons can be improved and the company can introduce a "track friendly" wagon—to use its phrase.

I know that the DETR is considering this matter, and I do not expect the Minister to give me an answer about the freight facilities grant tonight. I would like to impress on her, however, that, although this problem is of immediate concern only to a few hundred families in my constituency—more widely, perhaps, it concerns a few thousand families—it has a much wider impact because rail freight is rapidly expanding. As I have said, I welcome that and I believe that it can bring environmental benefits, but Ministers should now understand and accept

that that expansion should continue only where it mitigates environmental problems for neighbouring residents.

The Department must help my constituents not only because it is right to help those who are suffering an unnecessary burden of nuisance and distress that has, for no good reason, increased in the past couple of years, but because this is a matter of public policy. If we are to achieve the ends that both the Minister and I desire, the problem must be tackled now, and it is only by recognising its wider implications that the future of the rail freight industry can be secured.

I ask the Minister and her colleagues to continue to work with the parties, as the Department has done at various times in the past few months, towards early mitigation of the problem. It has been suggested that, if we get a freight facilities grant, there might be improvements in rolling stock on that line early in 2000. That would be welcome, but my constituents cannot tolerate a deadline that constantly shifts backwards. It is essential that the Minister investigates the problem immediately and continues to be involved in pressing the parties to find a solution as quickly as possible.

I am not alone in having expressed these concerns. My hon. Friend the Member for Guildford (Mr. St. Aubyn), who is present, secured his own Adjournment debate on the problems of his constituents a few months ago. Only by dealing with those problems can we achieve the environmental outcomes that we all desire.

I am sure that the Minister understands the importance of improving the quality of life of my constituents, and that she will want to achieve that improvement. I hope that she will also recognise the wider public policy consideration that the problem must be solved in the interests of striking a fair balance between the rail freight industry and those who live next to it, so that we can make progress towards a sound environmental outcome. I look forward to hearing what I hope will be words of comfort from the Minister.

10.58 pm

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Ms Glenda Jackson): I congratulate the hon. Member for Altrincham and Sale, West (Mr. Brady) on securing this debate. Not only are the issues important to his constituents but, as he rightly said, they have a much wider importance. Constituency concerns, however, are always the main feature of these debates, whatever the hour of showing. My hon. Friend the Member for Weaver Vale (Mr. Hall) has been active on behalf of his constituents in attempting to secure a solution to this problem.

I am delighted to hear that the hon. Gentleman shares the Government's wish to encourage the movement of more freight by rail. It is a key part of our integrated transport strategy, and we have taken a number of initiatives in support of this policy. Indeed, after coming into office, we took immediate steps by improving the freight facilities grants scheme: cutting the red tape and doubling the grant spent in our first year.

Over the past two years, grants totalling £60 million have been awarded, and we have made it clear in our White Paper that more funds will be available over the next three years, if the demand is there.

At the national level, we shall also look to the Strategic Rail Authority to promote transport of freight by rail, establish rail freight targets and ensure that the network has sufficient capacity for freight as well as for the growth in passenger movements.

To establish the local context, we are in the process of revising our planning guidance to promote rail freight options, by introducing the expectation that local authorities will consider and protect opportunities for rail connections to industrial sites.

All that provides evidence of our long-term commitment to rail freight. We are delighted—as is the hon. Member for Altrincham and Sale, West—by the 12 per cent. growth in freight tonne kilometres on the railways during 1997-98, and by the continuation of that growth into the last financial year. We welcome its contribution to easing congestion on our roads, and the overall environmental benefits of less air pollution. Yet I appreciate that, for those who live close to a railway line, the noise from trains can affect the quality of everyday life. We may become accustomed to trains rumbling in the background during the day, but train movements during the night can be especially disruptive. Moreover, freight trains tend to operate during night hours, when the lines are not in use by passenger trains.

The statutory position is that householders affected by noise from new railway lines or where an existing railway is widened by laying additional track are entitled to noise compensation and amelioration measures. The same provision applies. However, there is no provision for compensation or abatement measures when use of a railway line intensifies.

Train operators and Railtrack are subject to the statutory nuisance provisions of the Environmental Protection Act 1990, which are in enforced by district councils. Under section 79 of that Act, it is the duty of district councils upon an occasion to inspect their areas to detect any statutory nuisances, and to take such steps as are reasonably practicable to investigate any complaint made by a local resident.

Section 80 of the 1990 Act provides for the serving of abatement notices where a local authority is satisfied that a statutory nuisance exists, or is likely to occur or recur. Section 122 of the Railways Act 1993 provides the railway companies with some defence where they are working as a statutory authority, but it is not an open-ended defence. It would be up to the local authority to convince a court that the noise generated was greater than might be reasonably thought necessary in order for the companies to carry out their statutory functions.

Having set out the policy and legal framework, I turn to some of the specifics of the case to which the hon. Member for Altrincham and Sale, West has referred, which are particular to his constituency. I am advised that, in January 1998, for safety reasons, Brunner Mond had to replace the rail wagons that it was using to transport limestone from Buxton to Northwich. The company changed from four-axle to two-axle wagons. At the same time, the rail freight operator, English, Welsh and Scottish Railway, introduced a single class 60 locomotive in place of the two class 37 locomotives previously used on that service—thus reducing the locomotive weight by 85 tonnes.

As the hon. Gentleman has said tonight, since those rolling stock changes, complaints regarding noise and vibration have increased. Those complaints centre on the

[Ms Glenda Jackson]

early morning full train and the apparent increase in noise from the two-axle wagons, which are more prone to vibration than the four-axle version. I understand that there have been discussions about the problems between Brunner Mond, EWS and Railtrack since early last year. The first solutions discussed were those of re-routing or re-timing the trains. However, the lack of an alternative route and the heavy use of the route by passenger services during daytime hours meant that those were not practicable solutions.

I understand that another possible solution, to replace the wagons, is now the favoured option. New wagons are part of a wider strategy of investment in the Brunner Mond rail operation, which will also involve improvement of the loading and unloading facilities at either end of the route.

The upgrading proposal is the subject of an application for freight facilities grant, which I know is supported by my hon. Friend the Member for Weaver Vale and which is currently being considered by officials in my Department's freight grant unit. I shall endeavour to keep both the hon. Gentleman and my hon. Friend advised of progress.

I understand that EWS and Railtrack have acted earnestly throughout: playing their part in assessing the size of the problem, engaging constructively in discussions about long-term solutions; and suggesting the short-term measures to improve the situation.

I also understand that Railtrack, following discussion with local authorities along the route, engaged an independent contractor to undertake a vibration survey inside a residential property in Hale, another point referred to by the hon. Gentleman. The property was selected on the basis of it being 10m from a section of jointed track, near a crossover and level crossing, in an area where trains accelerate and decelerate.

Although the incidences of freight trains passing during the 24-hour test period were said by residents to be typical, they indicated that there had been previous instances of greater vibration from the worst trains. However, Railtrack and its consultants concluded that the measured vibration levels were so low that even the worst trains were unlikely to have given rise to cosmetic building damage, although vibration, even at this low level, would be perceptible to residents. The local authorities have also undertaken such vibration monitoring and their conclusions were in line with those of Railtrack.

I understand that EWS has agreed to the placing of a four-axle wagon in the middle of the existing two-axle wagon formation to ascertain whether this might decrease the vibration between wagons and therefore reduce the noise and vibration overall. I am also advised that EWS has agreed to consider running a test service composed of wagons comparable to those which it is proposed to introduce next year. If the company proceeds with this service, vibration will be monitored along the route.

In conclusion, perhaps I should refer to the final option for the Brunner Mond traffic: that is to transport the limestone by road. I have no doubt that we can all agree that such a move, which would add 72,000 lorry movements each year to the already congested roads of the area and cause considerable more air and noise pollution, would be entirely undesirable. I hope, instead, that Brunner Mond, EWS and Railtrack can between them bring about interim measures and long-term solutions to reduce the nuisance caused to the hon. Gentleman's constituents and those of my hon. Friend the Member for Weaver Vale. I have little doubt that they will both continue to ensure that my Department addresses these issues.

Question put and agreed to.

Adjourned accordingly at eight minutes past Eleven o'clock.

House of Commons

Thursday 29 April 1999

The House met at half-past Eleven o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION AND EMPLOYMENT

The Secretary of State was asked—

General Teaching Council

1. **Mr. Vernon Coaker** (Gedling): When the General Teaching Council will be operational; and if he will make a statement on its introduction. [81514]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. Charles Clarke): From September 2000, the General Teaching Council for England will be the new professional body for teachers. For the first time, teachers will have a real role in regulating their profession, and we expect that the GTC will quickly become a key player in shaping the education service of the future. The Government are committed to revitalising teaching as a leading profession, and the GTC is a powerful symbol of our drive towards achieving that. The first election to the GTC is expected to take place in spring 2000.

Mr. Coaker: Is my hon. Friend aware of quite how much teachers welcome the establishment of the General Teaching Council? They have long wanted a professional body that is able to represent their interests and articulate their views on a wide range of education issues. Will he confirm that part of the Government's drive towards addressing education issues is to re-establish the teaching profession's morale, which is so essential if we are to raise education standards in our schools?

Mr. Clarke: My hon. Friend is absolutely correct: the reform is long overdue and should have been made decades ago. It is also a very important step in establishing and strengthening the status and standing of the teaching profession in the community as a whole, and in ensuring that professional standards run right through our education system. I am absolutely delighted that this Government have put the reform on the statute book and will bring it into effect. It will have a profound effect on classroom morale.

Mrs. Theresa May (Maidenhead): The Minister is well aware of our concerns about the General Teaching Council, and the fact that it is not the body that it needs to be if it is to encourage more people to join the teaching profession. We are also concerned about the extreme control that the Secretary of State has over members of the General Teaching Council—is not that yet another example of the way in which the Government seek to control from the centre, rather than allowing teachers and the profession to make decisions for themselves?

Given the recently released figures showing that the Government will yet again miss the teacher recruitment target—which the Government reduced, despite the fact that there are still 10,000 teacher vacancies in our schools—when will they accept the real classroom crisis of teaching recruitment and do something about it?

Mr. Clarke: It is a little rich for the hon. Lady to make that point, given that for 18 years the previous Government did absolutely nothing to address those issues. Although I am glad that she has given her general support, her remarks were a bit rich.

I defend the role of the Secretary of State in nominating members to the General Teaching Council on two important grounds. First, there is a public interest in regulation of the teaching profession. It is right that there should be such an interest, and it should be expressed by the Secretary of State in nominating people to the council. Secondly, the Secretary of State's nominations will give real flexibility to the council as it begins to evolve. In the regulations, we specify the Secretary of State's specific responsibility to take account of the needs of parents and of children with special educational needs. I believe that those are very important developments in ensuring that the General Teaching Council will evolve into what we wish it to be—an effective, strong and independent representative of the profession.

The Green Paper, the GTC initiative and all our other specific initiatives and measures—on science and on maths, for example—are designed to tackle teacher recruitment. It would be very refreshing if the hon. Lady gave us some support in those initiatives, rather than simply seeking to niggle from the sidelines, as she so consistently does.

Mr. Barry Jones (Alyn and Deeside): Does my hon. Friend agree that until the profession unites into a council, it will never achieve its full potential? Will he say that he intends urgently to press on and attempt to knock some sense into the profession?

Mr. Clarke: My hon. Friend is absolutely right. I have said on a number of occasions, and I believe it to be the case, that the divided representation of the teaching trade unions damages the profession. I hope that the General Teaching Council will play a role in unifying and strengthening the profession's role in the provision of education, which is why I think that establishing the council is such an important step. I am glad to have his support.

Test Results

2. **Dr. Julian Lewis** (New Forest, East): If he will make a statement about the inclusion of information about *(a)* average class sizes and *(b)* money spent per pupil in

future published tables of test results at ages 11 and 14; and if he will publish such results and information for tests at age seven. [81516]

The Secretary of State for Education and Employment (Mr. David Blunkett): I have been trying to work out from which wing of the Conservative party this question comes.

We currently have no plans to increase further the amount of statistical data and information published in performance tables. However, I should—under pressure, of course, from the hon. Gentleman—be prepared to publish details of the pupil-teacher ratios and the rise in the number of children being taught in classes of over 30 pupils in the last 10 years of the previous Government.

Dr. Lewis: May I reassure the Secretary of State that, like all my questions, this one comes from the mainstream of the Conservative party? Does he accept that there are three main probable causes of the inadequacy of primary school pupils turned out into secondary education—first, the inadequate sums being spent; secondly, there are too many children per class; and, thirdly, rotten teaching methods? Does he accept that, until we publish data on class sizes and amounts spent per pupil, it will be impossible to tell whether the first two causes are behind inadequate results at the primary level, or whether the cause is really, as I suspect, rotten teaching methods?

Mr. Blunkett: From that, I deduce that the question came from the absolute denial wing of the Conservative party. Yes, there was an £80 per pupil drop in spending under the Conservatives. Yes, there will be a £235 per pupil increase under this Government in their first term in office. Yes, there was a continuing worsening of the pupil-teacher ratio; yes, we have already reversed that, and, for the first time in 10 years, primary pupil-teacher ratios have improved. We have managed to get 130,000 infant children into classes of fewer than 30 in the first year that we embarked on the attempt. Yes, of course, rotten teaching methods make a difference—which is why we are always glad to receive the odd moment of support from the Conservative party for the literacy and numeracy strategies that they did not introduce.

Mr. David Willetts (Havant): What does the Secretary of State say to the school that I visited last week, which because of the rigid implementation of the class size policy is having to turn away pupils whose parents want them educated there? Because funding is allocated per capita, the school is losing money too, and because it is losing money it will have to lose teaching assistants, so there will be fewer adults per class. Everybody is losing because of the rigid implementation of the policy. Many schools throughout the country are trapped in that way. What does the Secretary of State say to them?

Mr. Blunkett: I suggest that the hon. Gentleman visit schools among the majority that have discovered that with the investment that we have made already in the reduction of class sizes, there are 2,700 extra teachers and 600 extra classrooms. That has allowed us to accommodate a further 12,000 parental preferences for schools under admissions pressure such as the one that he has described. In other words, we are reducing the number of children in classes of more than 30 at the same time as we are expanding preference and increasing the number of classrooms and teachers. That is the exact reverse of what the Conservative Government achieved in their 18 years in power.

3. **Mr. Ian Cawsey** (Brigg and Goole): If he will make a statement on the steps he is taking to improve standards of achievement in further and higher education. [81517]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. George Mudie): The Government have shown by word and deed their determination to improve standards of achievement in both further and higher education. In further education, we established a standards fund of £35 million this year, and £80 million next year. The Quality Assurance Agency for Higher Education is developing new methods of ensuring rigorous and comparable standards in higher education.

Mr. Cawsey: I wish my hon. Friend well in his endeavours, and I am looking forward to his visit to my constituency tomorrow. Does he accept that the need to drive up standards in the post-16 sector should be met by adequate and fair funding? Is he aware that studies by the National Audit Office and others have shown that, in my area, for instance, John Leggott sixth form college, which enjoys a national reputation for the standards achieved by its comprehensive intake, has funding 30 per cent. lower than the sixth form of the Queen Elizabeth school in Gainsborough, which is a selective grammar school? Will he use his good offices to look into the figures and ensure that all schools in the post-16 sector get fair allocation of resources, to achieve the higher standards that he wants to put in place?

Mr. Mudie: I am indeed looking forward to my visit to sunny Scunny, as we call it in Yorkshire. I join my hon. Friend in congratulating John Leggott sixth form college, which has a deserved national reputation for its excellence. His remarks must be set against the November settlement announced by the Secretary of State, which put an additional £725 million into the further education sector. None the less, I am aware, as is the rest of the House, of the specific point that he made. We recognise that the system that we inherited from the previous Government has its inequalities, and that is one matter that may fall to be dealt with under the post-16 review.

Mr. Phil Willis (Harrogate and Knaresborough): It is the first time I have heard Scunthorpe described as sunny Scunny, but I will take the Minister's word for it. The Liberal Democrats support the Government's attempts to drive up standards in further and higher education, but does the Minister accept that it is also important to meet the access targets? Does he also accept that the disastrous introduction of tuition fees has meant a decline in the number of applicants to higher education, including a 28 per cent. decrease in the number of mature applicants? Is it not time for the Government to abandon the Prime Minister's target of 500,000 extra students by the end of this Parliament?

Mr. Mudie: I have to disagree with the hon. Gentleman's figures. I shall give the House some interesting figures. In 1994, the number of applications

for home undergraduate places was 2.3 million. In 1996, long before tuition fees, the number was down to 1.753 million. For 1998, the figure was 1.791 million. The 1997 figure was higher because the loans system gave mature students an opportunity to apply, and 1997 was an exceptional year compared to the trend for 1994–98. If the figure for 1997 is removed, the number of applications rose in 1998.

Mr. Malcolm Wicks (Croydon, North): Given that the public standing of universities, and consequent league tables, tend to be based on research excellence and research funding—I do not wish to argue with that important focus—does my hon. Friend feel that the universities are striking the right balance between research reputation and high-quality teaching? Does he agree that we need to do far more to drive up teaching standards in our universities, in an age when more of our young people are going to university from a variety of backgrounds and tuition fees have to be paid?

Mr. Mudie: As my hon. Friend will be aware, we have put an additional £1.4 billion into research, but we are aware of the need to keep a balance. As my original answer accepts, we are always keen to improve standards and we are aware of the need to work with the higher education sector to keep improving teaching standards.

Mr. Damian Green (Ashford): I am delighted to hear that the Minister will visit John Leggott college, but I have to tell the hon. Member for Brigg and Goole (Mr. Cawsey) that when I was last in Scunthorpe visiting the college it poured with rain, so the town may not live up to the Minister's advertisement for it.

In the context of the post-16 review, the Minister mentioned the great concern about the inequality of funding between different types of sixth form institution. Can he give a guarantee to school sixth forms that none of them will be closed as a result of the post-16 review against the wishes of local parents, teachers and education authorities?

Mr. Mudie: I shall certainly give that guarantee unequivocally. Sixth forms have an important part to play, alongside further education colleges and sixth form colleges. Anything in the post-16 review that did not build on sixth forms or, especially in the inner cities, failed to strengthen, improve and expand them would be strongly opposed by the Government.

Child Care

4. **Mr. Jim Cunningham** (Coventry, South): What progress has been made in increasing the number of out-of-school child care places. [81518]

The Parliamentary Under-Secretary of State for Education and Employment (Ms Margaret Hodge): The national child care strategy continues to make a major impact locally. I am delighted to say that since April 1998 we have funded the creation of more than 61,000 new child care places, exceeding our target for that year. Indeed, in the first two years of this Labour Government, we have created more new child care places than the previous Government created in their 18 miserable years in office.

Mr. Cunningham: I welcome that statement, and I am sure that my hon. Friend the Minister realises that this is an important matter, both nationally and in Coventry. Will she give the general figures for Coventry, and the particular figures for my constituency of Coventry, South?

Ms Hodge: I shall be delighted to do so. The figures available so far for Coventry in 1998–99 show that 266 new child care places have been created, in clubs such the All Saints club and the Pilgrim club, and in colleges such as Henley college and Coventry city college. Moreover, my Department has just given full approval to Coventry's plans for next year, under which the intention is to create a further 893 new child care places. Funding has also been received for 1,384 new nursery places for three-year-olds, starting in September.

Mr. Nicholas Winterton (Macclesfield): I am most interested in the Minister's reply. I recently visited some pre-schools in my constituency—the Jolly Tots and the St. Paul's pre-schools in Poynton—and I am due to visit one or two more in the near future. Will the Minister say why the Pre-School Learning Alliance is so concerned about the large number of pre-school closures, of which there have been about 1,500 recently? Another 1,700 are scheduled to close over the next year.

I am very interested in this sector of education, as I believe that children's experiences at that early age can dictate what happens in their subsequent educational career. Will the Minister comment, and explain why the Pre-School Learning Alliance is so worried, and why so many pre-schools are closing?

Ms Hodge: I am delighted to be able to do so. The hon. Gentleman has been a Member of Parliament for a long time, and will have been here when the previous Government introduced the disastrous nursery voucher scheme. That, more than anything else, was responsible for damaging the pre-school sector, both private and voluntary, in this country.

We are most concerned that the Pre-School Learning Alliance and the pre-school movement in general should play a full part in the expansion of early education and child care places. That is why we have provided £500,000, both this year and last year, to help pre-schools in financial difficulties. We have also established a review to see how we can ensure that the pre-schools play a full part in the expansion of early years education and child care. That review is due to report to me in August.

Mr. Bill O'Brien (Normanton): I thank my hon. Friend for that reply. I am pleased that the Government recognise the importance of, and the need for, pre-school education. Will she say how groups in my constituency that are eager to provide the service should go about receiving Government support for their endeavours? Can she assure me that the Government will continue to support pre-school groups, in my constituency and in the Wakefield area in general, to help them to continue the very important service that they provide to many families?

Ms Hodge: We have established in each education area an early years child care and development partnership. That is the context in which we hope that plans will be developed in every locality to respond to the needs and preferences of parents and children and to implement the expansion that we want. We are anxious that every sector should contribute to the expansion of early years

education and child care. We have placed a duty on those partnerships to ensure the health of both the voluntary and private sectors, and therefore to ensure their continued and sustained contribution.

Mr. David Willetts (Havant): The Minister did not address the point made by my hon. Friend the Member for Macclesfield (Mr. Winterton). The Pre-School Learning Alliance has specifically identified as part of the problem:

"Early Years Development and Childcare Partnership arrangements created by the present Government."

The Government are driving diversity out of the system, and many parents do not believe that a state primary school is the best form of provision for their four-year-old child. Pre-School Learning Alliance places are closing, and 1,700 of them are in danger this year. Free-standing specialist nursery schools are also in danger of closing. Is it not the case that merely talking about reviews does nothing to address the serious problems that other forms of pre-school provision face?

Ms Hodge: The hon. Gentleman is well known for his views on parental choice. It is, therefore, completely hypocritical of him to stand at the Dispatch Box denying parental choice and blaming parents for choosing one setting as opposed to another for their child.

The previous Government's nursery voucher scheme began the massive threat to and decline of pre-schools. This Government, in both our years in office, have put £500,000 into support for pre-schools, and, with the support of the Pre-School Learning Alliance, have set up a review, not to find out why pre-schools are declining but to see how they can contribute to the expansion of early years education and child care places.

Housing Costs (Students)

6. **Dr. Lynne Jones** (Birmingham, Selly Oak): What discussions he has had with the Secretaries of State for Social Security and Environment, Transport and the Regions about help with housing costs for students. [81520]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. George Mudie): My Secretary of State is in regular and continuing contact with colleagues on issues relating to student support. The Government will take steps to support students in the greatest need as and when opportunities arise. For students in higher education, help with housing costs is provided in grants and loans through the student support system. Help for students who have financial difficulties is also available from the access funds of their institutions.

Dr. Jones: Will my hon. Friend and his colleagues consider the plight of my constituent, Susan, who is on a 16-hour-a-week access to health studies course? She is caught by the 16-hour rule, which makes her ineligible for housing benefit. She is also ineligible for more than a small amount of access funding. She works as many hours as she can as a care assistant, but her income is still insufficient to meet her £45-a-week rent in full. Surely the system should do more to help people such as Susan to get out of low pay and benefit dependency and into worthwhile careers such as nursing.

Mr. Mudie: I am aware of the case raised by my hon. Friend. No matter how flexible the system is, however, there will always be individuals or groups with particular circumstances that it does not address. The Secretary of State is continually aware of that problem, and we constantly move to try to help individuals or vulnerable groups when particular cases arise.

For the individual concerned in this case, the immediate answer would be her institution's access and hardship funds. The amount that she has received from the institution is insufficient, but there is a possible solution, which I should like to discuss further with my hon. Friend. The course concerned is an access course that does not usually give any support to the student. It is a pre-statutory service—I hope hon. Members understand what I mean by that. We might, therefore, discuss with the institution involved why the course does not take $15\frac{1}{4}$ hours, as that would open housing and other benefits to the student concerned. Why 16 has been chosen as the magic number of hours is an interesting point, particularly when it comes to access funds.

Mr. Paul Keetch (Hereford): The Minister will be aware that many students live in houses in multiple occupation. The Government's recent Green Paper on HMOs exempted university accommodation from inspection. However, universities are getting rid of more and more of their own accommodation. Does that not mean that more and more students will be at risk in HMOs?

Mr. Mudie: The hon. Gentleman may not know this, but I believe that an all-party parliamentary group is conducting a dialogue with the Minister for Local Government and Housing and the Department of the Environment, Transport and the Regions. A policy document or a White Paper on multiple occupation will be issued soon because it is a particular worry. The question whether universities will be included is a matter for discussion, consultation and decision. I am delighted that individual Members with strong university bases in their constituency have raised this because it is a growing problem that affects localities and even relationships in cities where universities have great numbers of students.

Mr. Hilton Dawson (Lancaster and Wyre): May I share with my hon. Friend the experience that I had this week of meeting a young woman called Hazel who is leaving care to go into higher education? Not only has she shown tremendous intelligence to get herself qualifications and tremendous resilience to battle through the disadvantages of a disrupted life and a number of years in care, but she has shown the supreme good judgment to go to Lancaster university on a social work course. Does my hon. Friend agree that help with housing costs is essential if we are to help ever more bright young people cast off the disadvantages of being in care and make it into higher education?

Mr. Mudie: I do not think that there is a Member in the House who would disagree with my hon. Friend. Hazel indeed deserves congratulations. Her achievement in gaining a university place is no mean feat, given the normal background of a youngster in care. I know that my Secretary of State is particularly concerned about that group. All hon. Members, to be fair, would welcome my

hon. Friend the Under-Secretary of State for Health's moves to help youngsters leaving care. The attention given to youngsters leaving care was greatly welcomed and long overdue and it is a wonderful example of this House responding to something which has been a disgrace for years.

Mr. Roy Beggs (East Antrim): I have experienced personally the deep sorrow that a family in my constituency had when their daughter, a student living away from home, died from carbon monoxide poisoning. Does the Minister agree that in principle no public funding for housing costs should be awarded to students or others living in a property, whether in multiple or single occupancy, where health and safety checks have not been carried out?

Mr. Mudie: This matter will be dealt with by the DETR White Paper, and deservedly so. The hon. Gentleman has raised the case from one perspective. The other perspective concerns how youngsters are treated and the conditions in which they have to live in many university towns. The hon. Gentleman's remarks have a resonance which we hope will be reflected in the White Paper.

Post-devolution Funding

7. **Mr. Tam Dalyell** (Linlithgow): When he will next meet the Committee of Vice-Chancellors and Principals to discuss post-devolution funding arrangements. [81521]

The Secretary of State for Education and Employment (Mr. David Blunkett): I have regular meetings with members of the CVCP and last met them on 17 March 1999. They have made no approaches to me on this particular topic, but obviously I would be happy see them, as ever.

Mr. Dalyell: What reflection does the Secretary of State have on the evidence, to which I have drawn his Department's attention, from the CVCP and the Scottish universities to the committee under Sir George Quigley reviewing the fee anomaly and on the part that that anomaly might play in attracting fewer students to Scottish universities from England and Wales? Is the downturn of 18.4 per cent. registered by St. Andrews university to be expected by other Scottish universities? Both Heriot-Watt university and Edinburgh university are worried.

Mr. Blunkett: The figures published on Tuesday by the higher education statistics agency showed that we must compare like with like. Although there was a downturn in the number of students applying last year to Scottish universities from England, the number registered as taking up places for the current academic year rose by 3 per cent. Although there was a downturn in those entering in the first year, there was an upturn in those entering later, in the second year of four-year courses. Enrolment, as opposed to applications, was up. That is encouraging, both for Scottish universities and for the new system. I was encouraged when I was in Scotland yesterday to learn that the university with the largest number of students from disadvantaged backgrounds, Paisley, had had an upturn in applications for the coming year.

Capital Allocation (Schools)

8. **Mr. Andrew Dismore** (Hendon): What has been the total increased capital allocation to schools in Hendon since May 1997. [81522]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. Charles Clarke): Schools in Hendon have benefited from approximately £2.31 million of grant under the new deal for schools and to remove outside toilets. Nine schools in the hon. Gentleman's constituency have benefited. Both initiatives were launched by this Government after May 1997.

Mr. Dismore: May I thank my hon. Friend for that answer and say how much not only I, but the children at the schools affected welcome the additional funds? I recently visited Deansbrook school, which welcomes the announcement because it will no longer have to put up with old huts, but will have a brand new building. St. Vincent's primary school welcomes it because it can now merge on to one site instead of using a split site with a main road through the middle. Copthall school welcomes it because it will get a brand new building. That is excellent news for my constituency and I am grateful to my hon. Friend for his announcement

Mr. Clarke: I am grateful to my hon. Friend. I am finding it difficult to think of some controversy to generate. The truth is that many hon. Members on both sides of the House have appreciated the support that we have been able to give in capital spending to schools in their constituencies. Many schools that have been waiting for decades for resources to be spent on improving them are beginning to get them. There is much more to be done, but I believe that we are going down the right path.

New Deal for Schools

9. **Mr. Harry Barnes** (North-East Derbyshire): What representations he has received concerning the outcome of the new deal for schools: capital programme phase 3. [81523]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. Charles Clarke): Since the announcement of successful projects under the new deal for schools, the Department has received many representations from hon. Members, local education authorities and schools, including one from my hon. Friend.

Mr. Barnes: I appreciate that everything cannot be funded at once, especially the provision of new schools. Derbyshire has had resources allocated to build a new school at Swadlincote. In my constituency, the Holymoorside school needs to be replaced. I encourage the Minister to examine our proposals. I hope that he will visit the school because it is vital that provision be made for it in next year's allocation. Derbyshire has many

problems with the state of its schools and a strong case can be made for this one, although we realise that it was stuck behind another application.

Mr. Clarke: My hon. Friend understands the situation fully and argued a powerful case for Holymoorside school. I am prepared to visit it to see for myself the conditions about which he is concerned.

The Secretary of State for Education and Employment (Mr. David Blunkett): What a man!

Mr. Clarke: My right hon. Friend is right. Hon. Members may be interested to learn that under phase 3 of the new deal for schools, the amount per pupil paid for Derbyshire was greater than for any other shire county except one. It had a good settlement, but I am acutely aware of my hon. Friend's points.

Mr. John Bercow (Buckingham): Can the Minister confirm that only 1,053 out of 5,909 bids under phase 3 of the new deal for schools have been successful? As Allan Shaw county school in Steeple Claydon and Chackmore school in my constituency have had their bids rejected by him, can he confirm that where health and safety considerations are involved, special priority will be attached to bids by the schools in question?

Mr. Clarke: I am grateful for the hon. Gentleman's confirmation of the terrible backlog in school spending that we have inherited. I repeat that, although we are making good progress, we are the first to recognise that there is a long way to go to deal with the problems. I have received representations from the hon. Gentleman on behalf of the two schools that he mentioned. He wrote to me and I wrote back with a full answer. I am speaking from memory, but I think that the schools were not given sufficiently high priority by the LEA to be given a grant. He is right about health and safety. It is the first consideration in the new deal for school spending and the first criterion under which LEAs submit their bids.

Mr. Bob Blizzard (Waveney): I spent 25 years in classrooms before I entered the House, the last of which was spent teaching in a portakabin. I wonder whether hon. Members realise how dispiriting it is for children and teachers to have their lessons in sheds that are too hot in summer and too cold in winter. I welcome the effect that the new deal capital programme is having in my constituency. It is making a start on taking out the 18-year inheritance from the Conservative party of terrible portakabin classrooms, especially at Carlton Colville primary school and Warren special school. Will my hon. Friend give an undertaking to continue the work of ridding this country of these horrible classrooms? They are wrongly referred to as mobiles, as they rarely move, but they are on the move now.

Mr. Clarke: My hon. Friend is right; he has highlighted an important point. My right hon. Friends the Secretary of State and the Chancellor of the Exchequer have given priority to the new deal for schools precisely because, unlike other capital allocation processes, it focuses on dilapidation and serious problems of the type that my hon. Friend describes, and health and safety, to which the hon. Member for Buckingham (Mr. Bercow) referred, among other issues. The new deal programme focuses on ridding this country of the terrible backlog of 18 years of Conservative neglect.

Mr. David Heath (Somerton and Frome): When the Minister is reviewing the new deal for schools, will he reflect on two things? One is the proliferation of bidding processes, which Labour decried in opposition, and the other is the massive scale of the problem of temporary classrooms referred to by the hon. Member for Waveney (Mr. Blizzard). There are 800 so-called temporary classrooms in Somerset, which represent a huge inefficiency in terms of cost and the teaching environment. It is a massive problem which needs to be addressed with huge resources to provide the sort of teaching accommodation that we want for our children.

Mr. Clarke: We are addressing the problem with huge resources—far more, I may say, than the penny on income tax that the hon. Gentleman's party has suggested. We acknowledge that there is a massive amount to be done, and we are doing it. I understand what the hon. Gentleman says about the bidding process, but that is why we are asking LEAs to introduce asset management plans. We are funding the process precisely to achieve the most efficient local assessment of needs, management of capital and all the rest of it, so that the bidding process becomes less important. We will have a better system as a result of that and of the Government's commitment.

University Research

10. **Mrs. Anne Campbell** (Cambridge): In what ways the additional funding for research announced in the comprehensive spending review will be used by the universities. [81524]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. George Mudie): The substantial investment in research announced as a result of the CSR, totalling some £1.4 billion over three years, will allow research in universities to be transformed. It will allow for institutions to invest in the modern equipment and infrastructure needed to maintain the United Kingdom's world-class science base.

Mrs. Campbell: The additional money is welcome after 18 years of miserable Tory neglect. Will my hon. Friend give an assurance that universities, such as Cambridge, that already have a world-beating record in research will benefit from the extra money? When will an announcement be made about the allocation of funds as a result of the joint infrastructure fund bid?

Mr. Mudie: I thank my hon. Friend for accompanying me during my visit to her constituency this week, and for introducing me to so many committed professionals who are delivering such an excellent service to the people of Cambridge.

In answer to her question, the university of Cambridge has already received £3 million for the Babraham Institute and there will be a decision about the other funds in May.

Further and Higher Education

11. **Mr. Peter L. Pike** (Burnley): What was the percentage of school leavers going on to further or higher education in the local authority areas with the *(a)* lowest and *(b)* highest percentages in the most recent year for which figures are available. [81525]

The Parliamentary Under-Secretary of State for Education and Employment (Mr. George Mudie): In 1996-97—the latest year for which figures are available—the proportion of 16-year-olds participating in education was lowest in Salford at 57 per cent. and highest in Kingston-upon-Thames at 97 per cent. Unfortunately, information on school leavers entering higher education is not available by local authority area.

Mr. Pike: My hon. Friend will know that, in places such as Burnley, the number of school leavers going on to further and, ultimately, higher education is much lower than the national average, and that there are repercussions for towns where there is a lower than average take-up of education at the higher levels. How well does my hon. Friend think that the Government's initiatives to encourage more people throughout the country to go on to further and higher education are working? Does he propose to take any further action to encourage more people to take up those forms of education?

Mr. Mudie: The dual objectives at the centre of the Government's education and training policy are to raise the competitiveness of the British economy through increasing the skills base of the work force, and to end social exclusion. My hon. Friend should take heart and realise that the problems faced by the youngsters in his constituency are a central feature of our objectives. Without taking up too much time, I should like to run through some initiatives.

Learning partnerships are very much at the centre of the battle to improve standards; we are bringing together training and enterprise councils, local government careers services and further education. We are setting local targets and persuading people, by every possible means, to reach the objective of increasing numbers. We are in the second year of the new start scheme, whereby schools, careers services and further education colleges are attempting to bring vocational education into schools for 14 to 17-year-olds. There is retargeting in the careers service so that it can work more closely with individuals who are in danger of falling out of the system. That is working extremely well. We have introduced legislation to ensure that there is a right to time off for study for 16 and 17-year-olds who have not reached an acceptable educational level. Without straining your patience too far, Madam Speaker, briefly, those are some of the things that we are doing.

Mr. William Cash (Stone): Does the Minister accept that the percentages relating to school leavers depend on what has been going on in the schools? Is he aware that a local Staffordshire newspaper unequivocally stated, "Our schools betrayed", next to a picture of the Prime Minister? Does that not demonstrate that local newspapers and, indeed, local people are profoundly concerned, in the run-up to the local elections, about the way in which schools have been betrayed by this Government? Is the Minister aware that the standard spending assessment in Staffordshire is a complete disgrace, and that there is no reasonable comparison between what is going on there and in other counties, such as Hertfordshire?

Is the Minister also aware that there has been a Cabinet decision—in which the Prime Minister and the Secretary of State for Education and Employment were intimately involved—which means that there will be no changes whatever in the SSA for the next three years, and that that is admitted by the Department for Education and Employment? A Cabinet decision has been made for which the Government are responsible—they have betrayed our schools.

Mr. Mudie: It is a delight to hear the hon. Gentleman talking about something that is not Europe-based. I have been a Member of the House for several years and saw how the previous Government operated. The Labour Government are the first Government to approach post-16 education with the understanding that what happens to youngsters at the age of six months relates to where they will be at the age of 16.

We are struggling to deal with the problems of the post-16 age group: there are 5 million people in the community who have no basic skills, and 7 million without accreditation in the work force. Through the work of my hon. Friend the Minister for School Standards, we have put together an integrated set of policies targeted on improving standards in schools, so that the post-16 problems do not exist because we have dealt with the disease, not the symptoms.

Learning Mentors

13. **Valerie Davey** (Bristol, West): If he will make a statement on his proposals for the use of and access to learning mentors. [81528]

The Minister for School Standards (Ms Estelle Morris): From September 1999, each secondary school pupil in six inner-city areas will have access to learning mentors. Learning mentors will devote the majority of their time to the children who need extra support to realise their full potential. We shall agree the detailed arrangements for deploying mentors with the relevant local education authorities, in partnership with their schools.

Valerie Davey: I am sure that my hon. Friend will be pleased to learn that a voluntary mentoring scheme for those leaving care is proving to be of great value in the Bristol area. Given the importance of that scheme, will all the schools in the six areas be encouraged to take up mentoring schemes?

Ms Morris: I pay tribute to the voluntary mentoring scheme to which my hon. Friend refers. From travelling throughout the country, it is clear to me what a huge impact the voluntary schemes are having. I should like to take this opportunity to emphasise that the initiative we have launched to employ mentors to support some of the most disadvantaged children and so ensure that they get a decent education will do nothing to detract from the contribution that the voluntary sector makes to mentoring. In fact, one of the duties given to mentors on their

appointment will be to make sure that they co-ordinate with voluntary mentoring and work with schools to raise standards even further.

Mr. Ian Bruce (South Dorset): I am sure that the Minister knows that, as part of their new deal for employment, the Government have appointed employment advisers who, to a great extent carry out mentoring in respect of education. Is she upset—as all of us should be—that, since the new deal was introduced, in every quarter, the number of unemployed people in the 18 to 24 age group has gone up? Is it not time that the Government carefully examined mentoring in respect of getting people into educational courses? Perhaps people are being ill advised and are not getting jobs at the end of the process.

Ms Morris: I only wish that the hon. Gentleman had benefited from the numeracy hour; if he had, he might have realised that youth unemployment has gone down by a third since the introduction of the new deal. The work we are doing to provide mentors, not only for those who, having left school, are trying to enter employment and training, but for those who are still at school, will ensure that children and adults who are at a point in their life when they have to make key decisions are at last given the high-quality advice and support that they need to ensure that they have access to the life opportunities that have so far been denied to far too many people.

Age Diversity

14. **Ms Linda Perham** (Ilford, North): When he plans to launch the code of practice on age diversity in employment; and what responses he has had to the draft code. [81529]

The Minister for Employment, Welfare to Work and Equal Opportunities (Mr. Andrew Smith): I am pleased to say that the code will be launched next month. Its launch will be a great tribute to my hon. Friend's Employment (Age Discrimination in Advertisements) Bill and to other hon. Members who have also campaigned with such energy on this important issue.

We received 356 responses to the consultation: respondents found the code generally useful, clear and relevant. There were suggestions for improvements which, as far as possible, we are incorporating.

Ms Perham: I thank my right hon. Friend for that answer, and I congratulate the Government on their action to launch the code on age diversity in employment. It is one of several measures relating to older people that the Labour Government have taken—far more than the Conservative Government managed. I understand that the code will be monitored and fully evaluated by February 2001. If we are not satisfied with progress by then, will the Government consider legislation on age discrimination, perhaps in the next Parliament?

Mr. Smith: I thank my hon. Friend for her welcome for the code. I believe that it will make a difference in spreading good practice, in helping to change attitudes and in challenging outdated assumptions. As she says, it will be closely monitored and carefully evaluated. As my right hon. Friend the Prime Minister made clear in a written answer on 15 December, the impact of the code will be evaluated and that will inform future plans for legislation in that area.

Employment Harmonisation (EU)

15. **Mr. John Wilkinson** (Ruislip-Northwood): When he last discussed with the European Commission the harmonisation of policies to stimulate employment within the EU. [81530]

The Minister for Employment, Welfare to Work and Equal Opportunities (Mr. Andrew Smith): Ministers have regular discussions with the European Commission and other member states, and we are making good progress through the employment guidelines on active labour market policies to promote employability and to combine flexibility with security. However, that progress is being achieved through co-operation, not harmonisation. Employment policy and employment action plans remain the responsibility of individual member states.

Mr. Wilkinson: Are the Government aware that the harmonisation of value added tax on the importation of works of art from outside the European Union will effectively double the rate of VAT on those works and will gravely damage the London art market? Far from encouraging employment, it will destroy jobs in London and throughout the country. What do the Government intend to do about that? Will they ignore the proposal and just accept it blithely, or make a stand for British jobs and the prosperity of the British people?

Mr. Smith: The hon. Gentleman should know that the Government have made vigorous representations in the interests of the British art market. We want to sustain the jobs and the commanding competitiveness that that market enjoys. The employment guidelines to which I referred earlier explicitly include—at the behest of the United Kingdom—the requirement that every regulation be examined to gauge its effect on employment levels. Moreover, we will promote adaptability, flexibility, equal opportunities and entrepreneurship in employment policy. We want to sustain that entrepreneurship in the British art market of which we are so proud.

Mr. Colin Breed (South-East Cornwall): Will co-operation, or the harmonisation or co-ordination of employment policies across Europe, have any effect—good or bad—on the new deal?

Mr. Smith: The employment guidelines promote an active approach to the labour market which guarantees young people who have been out of work for six months the help that they need through an adviser, training programmes and assistance into employment. The good news is that that approach is being extended to other countries. I have received an enormous amount of interest, not just from Europe, but from countries throughout the world, in the achievements of the new deal.

In answer to the accusations that Opposition Members made earlier today, youth unemployment among the eligible group has fallen by more than a third since the new deal was introduced. We have the lowest long-term youth unemployment in this country for 20 years, and we are

proud of the fact that the Labour Government have reduced long-term youth unemployment further in 18 months than the previous Government managed in 18 years.

Education Action Zones

16. **Mr. Bill Rammell** (Harlow): If he will make a statement on the number of bids received for education action zone status in the latest round. [81531]

The Minister for School Standards (Ms Estelle Morris): My right hon. Friend the Secretary of State has received 123 applications, which come from every region in England.

Mr. Rammell: Does the Minister agree that the key benefit of an education action zone is not just the additional money that it brings—although that is welcome—but the fact that it brings parents, teachers and the public and private sectors together to boost educational achievement? That has been my experience in working with schools in Harlow to produce a bid. Will my hon. Friend look carefully at Harlow's bid, which is unique in involving the local cable television network to increase access to the internet? By linking it to schools, it will engage parents more meaningfully in their children's education.

Ms Morris: I agree very much with my hon. Friend. Of course the money allocated to education action zones is welcome but, more importantly, the zones are levers for the sort of partnership that we have not seen in our education service for the past 18 years. When education partners in the community work together, the children in our schools will benefit. I congratulate my hon. Friend on the work that he and his colleagues have done in Harlow. He is correct to say that the bid is unique in using cable television, but he can imagine the number of requests that I have received from hon. Friends asking me to look carefully at their bids. I assure both him and them that I will do so.

Early Years Education

17. **Ms Julia Drown** (South Swindon): What steps have been taken to support early years education and quality child care through pre-schools and playgroups. [81532]

The Parliamentary Under-Secretary of State for Education and Employment (Ms Margaret Hodge): I am delighted to put on record the Government's support for pre-schools in the expansion of early years education and quality child care. Pre-schools and playgroups contribute to good quality early education and child care through local early years development and child care plans. The Government have recently announced up to £500,000 in grants to support good pre-schools and playgroups in temporary financial difficulty, and an independent review to identify any barriers that prevent pre-schools and playgroups from developing their role.

Ms Drown: My constituents welcome the Government's investment in early years education. However, pre-schools and playgroups still have to fund-raise and apply for lottery grants to improve their services. Will my hon. Friend assure my constituents that the Government's commitment to improving child care and early years provision will continue as long as they are in power?

Ms Hodge: The answer, clearly, is yes. We hope that the pre-school movement will be able to play its part in ensuring that every child in this country gets the best possible start to their educational experience.

Fiona Jones

Madam Speaker: The House may care to know that it is my understanding that the divisional court has decided that following Fiona Jones's successful appeal against her conviction, the Newark seat is not vacant. If further details of the divisional court's decision are received which add significantly to what I have said, of course I will make a further statement at a convenient time.

Business of the House

12.31 pm

Sir George Young (North-West Hampshire): May I ask the Leader of the House to give us the business for next week?

The President of the Council and Leader of the House of Commons (Mrs. Margaret Beckett): The business for next week will be as follows:

MONDAY 3 MAY—Bank Holiday.

TUESDAY 4 MAY—Until about midnight, progress on remaining stages of the Greater London Authority Bill.

WEDNESDAY 5 MAY—Until 2 o'clock there will be debates on the motion for the Adjournment of the House.

Conclusion of remaining stages of the Greater London Authority Bill.

THURSDAY 6 MAY—There will be a debate on modernising London's health service on a motion for the Adjournment of the House.

FRIDAY 7 MAY—Private Members' Bills.

The provisional business for the following week will be as follows:

MONDAY 10 MAY—Second Reading of the Northern Ireland (Location of Victims' Remains) Bill.

TUESDAY 11 MAY—Opposition Day [11th Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 12 MAY—Until 2 o'clock there will be debates on the motion for the Adjournment of the House.

Consideration in Committee and remaining stages of the Northern Ireland (Location of Victims' Remains) Bill.

THURSDAY 13 MAY—Opposition Day [12th Allotted Day]. There will be a debate on a motion in the name of the Liberal Democrats. Subject to be announced.

FRIDAY 14 MAY—Private Members' Bills.

The House will also wish to know that, subject to the progress of business, the House will rise for the Whitsun recess at the end of business on Thursday 27 May and return on Tuesday 8 June.

Sir George Young: The House is grateful for next week's business and an indication of the business for the following week.

As the NATO action in Yugoslavia may last for some time, will the Leader of the House reflect on how the House may be kept in the picture in the weeks ahead? We have had debates and statements, which we very much welcome, but they have tended to be somewhat random. I do not press the right hon. Lady for an answer now, but the House will want regular opportunities to be kept informed, possibly on a weekly basis.

Will the debates that the right hon. Lady has announced on Northern Ireland give the House an opportunity to be informed on the progress of the talks?

Next week, will the Leader of the House ensure that the disagreement between Ministers as to who is responsible for lifting the beef ban in Wales is resolved? On a point of order yesterday, my hon. Friend the Member for Woodspring (Dr. Fox) drew attention to conflicting statements from two Ministers, one of whom said that

responsibility had been devolved to the Assembly, while the other said that it had not. As the Welsh people go to the polls, can they be clear as to what powers the body that they are voting for may have?

I make no apologies for asking yet again for a debate on Lords reform. I very much hope that the Leader of the House can tell us that it will happen soon.

On 11 May, hon. Members will be tabling questions to Scottish Office Ministers for answer on 25 May. Will the right hon. Lady tell us who will be answering those questions, as the Secretary of State for Scotland has said that it will not be him?

Finally, while we welcome the dates of the Whitsun recess, will the Leader of the House confirm whether the House will be sitting on the date of the European elections?

Mrs. Beckett: The right hon. Gentleman makes a very fair point about the arrangements for handling reporting back to the House on events in Kosovo. Although I appreciate his recognition that the Government have tried very hard to keep the House informed, he is right that it has been on a somewhat ad hoc basis. As all of us recognise that the NATO action may continue for some time, there is much merit in considering how we might keep the House updated and properly informed. That seems to me to be exactly the type of matter that requires careful consideration through the usual channels, and I shall be happy to take that forward and try to reach agreement on how we do so.

The right hon. Gentleman asked about progress on the talks being raised in the context of the Northern Ireland debates. I recognise that that is a serious point, and that people may well wish to allude to that subject. As the right hon. Gentleman will appreciate, it is a matter as much for Madam Speaker and for the Chair as for me. These subjects may well come up in the debate, but the legislation is a grave and serious matter, to which the House will wish to give proper and full attention.

The right hon. Gentleman asked me to provide time for a discussion on a contradiction that the hon. Member for Woodspring (Dr. Fox) thought he had identified. I fear that I must disappoint him. Not only can I not find time for such a discussion, but it is totally unnecessary. The hon. Member for Woodspring seems to have overlooked the fact that when my noble Friend Lord Williams of Mostyn gave the initial answer, in a debate in June 1998, policy discussions on the handling of functions covered by the Food Safety Act 1990 were still under way, and those matters had not been decided. Since then, naturally, they have been decided. It is a matter for which responsibility is transferred, so the answer given by my hon. Friend the Parliamentary Secretary was therefore entirely correct.

The right hon. Gentleman asked for a debate on Lords reform. We are conscious of the wish to hold a debate on the White Paper. We are seeking a suitable date, which I hope will be before the Whitsun recess, but the right hon. Gentleman will appreciate that, for reasons that we mentioned earlier in relation to Kosovo and so on, I cannot make any promises.

With regard to Scottish questions, the appropriate Minister will answer, quite naturally.

I can confirm that the House will be sitting on 10 June. I understand that that is not unusual. The House has always sat on the date of European elections, with the one exception of the most recent European elections in June 1994, when the previous Government, at what they must have hoped would turn out to be the nadir of their popularity, hoped to avoid further parliamentary scrutiny and embarrassment by ensuring that the House did not sit.

Mr. Tam Dalyell (Linlithgow): Is there not merit in the Government tabling a substantive motion on the Kosovo situation—a motion which some of us might well wish to use to challenge the whole basis of the current on-going strategy, which is leading to a Vietnam-like situation? In particular, will there be a statement on why there has been a change of policy on the substantive bombing of Montenegro, a question of which I have given my right hon. Friend notice? How can we do this to Mr. Djukanovic, who has been a friend of the west, and what is the likely effect of bombing Montenegro in relation to any development of Yugoslavia in a peaceful situation?

Mrs. Beckett: I am afraid that the Government's view on the issue of a substantive motion on those matters has not changed. As the point has been raised several times in the House, I have looked more carefully into the background, and I understand that a combination of the exercise of the royal prerogative and of the approach that has been taken that this is partly a common law matter, has led successive Governments, literally through the generations, to take the view that these matters are not decided by a substantive motion in the House. At present, the Government do not intend to change that policy.

My hon. Friend asked me—and I am grateful to him for giving me notice—to clarify the reasons for what he described as a change of policy on Montenegro. There has not been a change of policy. The Government support the elected Government of President Djukanovic, but, as I hope and expect the Montenegrin Government recognise, there are facilities in Montenegro that are of value to the Serb military machine, and NATO has sought to undermine those facilities.

Mr. Paul Tyler (North Cornwall): May I urge the Leader of the House to arrange an early statement on the urgent issue of the new trade war that seems to be about to break out on the issue of the import of hormone-treated beef to the European Union and the United Kingdom? It seems that the EU is being rather more effective in defending the interests and health of consumers in this country—and, indeed, British farmers—than the Government. An urgent statement is certainly necessary as this is a matter of considerable concern. The overnight news is that the situation is deteriorating fast.

The Leader of the House has previously said that she intends to arrange for a debate in the House on charging for entry to this building. The Administration Committee report is being published this week, so will the Commission be examining this matter and making a recommendation to the House before that debate takes place? Can the debate take place before the Whitsun recess?

In particular, will the right hon. Lady undertake that the Commission will look hard at the economics of the proposal? It seems to many Members, on both sides of the House, that those economics will stack up only if there is charging not for two months in the summer, but through 12 months—but that would amount to a creeping

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privatisation of the way in which visits to the House take place and considerable charges would inevitably be incurred by our constituents if the proposal were carried through. The House staff would be excluded from taking people round the building and considerable security issues would arise. Can we be reassured that the Commission will look hard at what looks like the thin end of a damaging wedge?

Mrs. Beckett: I did not hear any overnight reports of a change in the situation on hormone-treated beef, but it is ludicrous to suggest that the EU has been more effective in defending consumers' interests than the Government, who certainly give the highest possible priority to those interests. I should be sorry to learn of anything that is contributing to a new trade war, because we certainly want good trade relations between the EU and the United States, but these things bubble to the surface from time to time and have to be dealt with.

The hon. Gentleman asked about charging for entry to this place. He is right that the report has been published and it is anticipated that the Commission will consider the matter. We have not yet considered it, so I cannot tell him whether the Commission will make a recommendation; it may not. On the only occasion on which the matter was discussed by the Commission, all members took the view that this is very much a matter for the House. The economics are clearly the kind of thing that the House would want to take into account.

I cannot promise the hon. Gentleman a debate before the Whitsun recess, but I can certainly say that it is my understanding that the impact of such issues as security—which he mentioned and which would of course be discussed—on the further opening up of the House has led to the proposal to consider charging. Let us not forget that this proposal concerns providing greater access, not less.

It has never been intended that Members would be charged for taking parties of constituents around the House. I am not a member of the Administration Committee, and am in no way privy to its discussions or bound by its decisions, but, in fairness, it is only right for me to say to the hon. Gentleman and the House that precisely for those reasons, and not because the Committee is in any way advocating creeping privatisation, that the Committee has put these proposals to the House. The House may or may not decide to concur with the Committee's recommendation, but we must respect the seriousness of the concerns that it has identified.

Mr. David Winnick (Walsall, North): Would it be possible for the BBC's special "Panorama" programme on the atrocities in Kosovo to be shown in the House—in particular, to critics of what is happening?

May I also raise a domestic matter? Will my right hon. Friend arrange a debate next week on the public financing of essential services? Such a debate would give Members, especially Conservative Members, an opportunity to express their views. That would be better than all the hole-in-corner discussions in the Corridors, the rumours, the leaks, the sackings—and, of course, the undermining of the position of the Leader of the Opposition. A debate would allow us to air the differences in a proper way, in the Chamber of the House of Commons.

Mrs. Beckett: I thank my hon. Friend for his interesting suggestion. I understand his wish for the "Panorama" programme to be readily available to Members, and I think that he will find that it and other programmes are available through the Library. I hope that hon. Members will take advantage of that service. As for my hon. Friend's proposal for a debate on the public financing of essential services, I think that such a debate would be very interesting, although most of us would hardly need to attend; the Conservative party could hold the debate on its own. As we are offering Conservative Members opposition time, they may wish to take up my hon. Friend's suggestion.

Mr. Peter Brooke (Cities of London and Westminster): Is the Leader of the House aware of the conflict, in the week including 10 May, between discussion of all stages of the Northern Ireland (Location of Victims' Remains) Bill and a visit to the United States by 11 members of the Select Committee on Northern Ireland Affairs, which was arranged several months ago? That coincidence will give rise to a considerable conflict of loyalties among Committee members representing both Northern Ireland constituencies and constituencies in Great Britain. It would be very unfortunate if we could not take a balanced Committee to America.

Mrs. Beckett: I am grateful to the right hon. Gentleman for raising the matter, and also for the terms and the tone in which he did so. I was not aware of the conflict, but I agree that it is most unfortunate. Obviously, I cannot deal with the matter now, but the business that I announced for the second week is, of course, provisional. I am well aware of the concerns that led to the wish for a debate on the Bill to take place as soon as possible, and as concurrently as possible with what the Irish Government are doing; but I agree that the clash of events is very unfortunate. All I can suggest is that we try to encourage discussions between all involved as a matter of urgency, to establish whether the matter can be resolved in any way.

Mr. Ted Rowlands (Merthyr Tydfil and Rhymney): On Monday, my right hon. Friend the Prime Minister referred to NATO's new strategic concepts, which foreshadow considerable commitments of one kind or another. They may raise issues relating to the amendment of the NATO treaty, as well as defence and budgetary issues. May we have a debate as soon as possible, so that Members' views on a matter of profound significance for the future can be heard?

Mrs. Beckett: My hon. Friend makes an interesting and worthwhile point. I cannot promise to find time for a special debate focusing solely on that issue, but I can tell him that we are very mindful of the fact that we are committed to arranging three defence debates each year. As he will know, we now have a new structure for those debates. One matter that we have not yet debated is the overall issue of defence in the world. We hope to find

time for that debate in the not too distant future, and when it comes along the issue raised by my hon. Friend will be very pertinent.

Rev. Martin Smyth (Belfast, South): The Leader of the House may know that the people of Omagh, who have suffered from bombing, are keen to open their town and their community to Kosovar refugees in sympathy, but that is on a long finger. Could that be explained, and, at the same time, could the Home Secretary come to the House to tell us whether any attempts have been made to deal with what some of us consider to be an anomaly in the new legislation dealing with European elections? Under that legislation, a person could spend £5,000 to influence the election of a candidate—or, indeed, an objection to that candidate—without any sort of regulation. I feel that we are getting into a dangerous position with our own electoral laws.

Mrs. Beckett: All of us recognise and honour the generosity of the people of Omagh in their willingness to welcome Kosovo refugees. The Government's approach has been to work with the United Nations High Commissioner for Refugees to identify the people who are the highest priority cases in needing, for some particular reason, to come to the United Kingdom and who wish to come here. One piece of information that has continually been reinforced by all who talk to the refugees is that by far the majority of them want to return to their homes as soon as possible and to stay in the vicinity of Kosovo. The families of many of them are divided and they are anxious about relatives. I am sure that there is no wish to reject the generosity and good will of the people of Omagh, but I shall draw the hon. Gentleman's remarks to the attention of my right hon. Friend the Home Secretary.

I am not familiar with the anomaly to which the hon. Gentleman referred in his second point. I shall also draw those remarks to the attention of the Home Secretary.

Mr. Jeremy Corbyn (Islington, North): Last Monday, my right hon. Friend the Prime Minister made a substantial statement on his visit to Washington for the NATO summit, and I understand that most of the questioning turned on the issue of Kosovo. Will my right hon. Friend the Leader of the House make time for a serious debate on the future of NATO, and in particular the changes in the NATO structure that were agreed at Washington and the possible changes in the NATO treaty? Notwithstanding what she said to my hon. Friend the Member for Linlithgow (Mr. Dalyell), would this matter be covered by the royal prerogative or would there be a substantive vote on the Floor of the House on any changes in the NATO treaty? Clearly, they would have long-term implications for British foreign policy and our relationships with the United Nations

Mrs. Beckett: As I said to my hon. Friend the Member for Merthyr Tydfil and Rhymney (Mr. Rowlands), we are committed to a number of defence debates, which may provide an opportunity to raise these issues. We have Defence questions on 10 May if my hon. Friend wants to probe Government—from what he said, he does—on the immediate aftermath of the NATO summit.

On my hon. Friend's further question about whether this decision has to be on a substantive motion or can be done by royal prerogative, my inclination is that it is the second of the two, but I have not had the chance to give much thought to the matter. If I come to a different conclusion, I shall write to my hon. Friend.

Mr. Eric Forth (Bromley and Chislehurst): Can we have an urgent debate to inform and, I hope, reassure the people of this country about the continuity of public services over the millennium period? The Leader of the House may be aware that there is speculation and anxiety about the fact that some people and some trade unions in the public services are making disturbing threatening noises about the unavailability of key public services, not least health, over the millennium period. Is she aware of that, and does she accept that it is of the greatest urgency that this matter is debated in the House, in the hope of getting an absolute guarantee from the Government that there is no question but that public services will be continued over the millennium period?

Mrs. Beckett: It is unlikely that we can find time for a special debate on that matter. The right hon. Gentleman says that there is anxiety, but it is a bit late now for there to be anxiety about the delivery of services when planning for the continuous delivery of services without interruption should have started at least five years ago, if not more. I am not making a party political point—although I will if the right hon. Gentleman starts to press me. I am merely making the point that everyone who deals with the issue now recognises that to be the case. The more closely the matter is studied, the more apparent it becomes that the ramifications are far greater than people first anticipated when they began to plan for the millennium.

As for the speculation, I am aware of pressure within some of the services. The heads of services have responsibility for ensuring that they are delivered sensibly and without interruption. Everyone is working hard to achieve that, and there has been proper contingency planning should some unforeseen events take place, which is likely to happen over such an unusually long holiday. As for me giving an absolute guarantee, I simply say to the right hon. Gentleman that Conservative Members frequently quote reports from the organisation that advised the Conservative Government, TaskForce 2000, and its most recent report is riddled with what are to my mind helpful references to the fact that no one can give absolute guarantees about anything, and that only someone very unwise would ask them to do so.

Mr. Mike Gapes (Ilford, South): My right hon. Friend is no doubt aware that today is "take your daughters to work" day. Will she join with me in congratulating the tens of thousands of young girls who are taking the opportunity to go with their mothers and fathers to workplaces throughout the country, including the House of Commons, to see the work that their parents do? Will she also arrange for an early debate on the matter, so that we may discuss how not only girls but boys might gain more work experience and a better understanding of the world of work? It is important for the future that all our young people should have a better understanding of that world.

Mrs. Beckett: I am very happy to join my hon. Friend in welcoming this day, and in congratulating those who are participating in it, particularly those who, like his own

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daughter, are participating in it in the House. I cannot promise him an early debate on the matter, but I can certainly wholeheartedly endorse—as the whole House will—his view that there is much that is worthwhile in young people having work experience, so that they may begin to see what it is that—we hope—their parents find interesting and attractive in their work, besides the salary that they draw at the end of the month.

Mr. Nicholas Soames (Mid-Sussex): I am grateful to the Leader of the House for the number of times that we have been able to discuss Kosovo. Although I wholly endorse the comments of my right hon. Friend the shadow Leader of the House, it is worth acknowledging that we have had plenty of opportunities for such debate. However, we have not yet had an opportunity to debate the very real difficulties—which will be enormous and complex, and have to be discussed in the House—of how, when Milosevic has accepted the inevitable, we go about reconstructing Kosovo, with all the attendant disastrous consequences that we shall have to deal with then. Will she try to find time for what would be a very important debate, bearing in mind that it concerns not only the Foreign Office, but almost every Department of State?

Mrs. Beckett: I am grateful to the hon. Gentleman for his acknowledgement of the time that the Government have found for such debate. I share—as I am sure that the whole House will—his recognition both of the importance of reconstruction in Kosovo and of the fact that the matter requires most careful consideration. Although I cannot promise him now that I shall find time for a special debate, I assure him that, when discussions are held on how the House should continue to be informed and to debate those matters, we shall consider exactly those types of issue. I am grateful to him for reminding us of that.

Angela Smith (Basildon): May I draw the attention of the Leader of the House to early-day motion 558, tabled by my hon. Friend the Member for Brent, North (Mr. Gardiner)?

[*That this House deplores the action of Pizza Hut, which, in its opposition to the national minimum wage, has cut funds for late night taxi services for its staff, many of whom are under 18 years and some of whom work as late as 1.00 am; considers such action prejudicial to the welfare and safety of Pizza Hut staff; and urges the company to reconsider its position.*]

Many hon. Members think that withdrawing that benefit demonstrates a callous disregard for loyal staff who work late at night, and that it is certainly against the spirit of the National Minimum Wage Act 1998. May we have an urgent debate on the matter, so that we may discuss not only employers who are working against the national minimum wage and treating their staff in that manner, but employers who have welcomed the national minimum wage and are ensuring that it succeeds?

Mrs. Beckett: I am grateful to my hon. Friend. Although I do not feel that, at the Dispatch Box, I can be drawn into the affairs of a specific company, I understand the anxiety that my hon. Friend expresses. It is not the first time, and I suspect that it will not be the last, that employers have prayed in aid the existence—or even the possibility of—the minimum wage as an excuse for doing something that they chose to do for reasons of their own. That may well apply in this case.

It is a matter of contract law, rather than the handling of the minimum wage itself. However, I hope that my hon. Friend will know—I am happy to remind people—that there is a national minimum wage helpline for those who believe that they are being unfairly disadvantaged. There is also a local office of the Advisory, Conciliation and Arbitration Service that employees may contact, and I hope that they are doing so.

Mr. John Hayes (South Holland and The Deepings): Given the rather disturbing answer that the Leader of the House gave earlier to the shadow Leader of the House, on the rights of the Scottish Parliament and the Welsh Assembly to lift the beef-on-the-bone ban, will she arrange for an urgent statement on the issue? Hon. Members will realise that it is entirely feasible that the Scottish Parliament and the Welsh Assembly might lift the ban, whereas the House of Commons does not, thereby putting English farmers at a competitive disadvantage. Moreover, Scots Members of this House could vote against lifting the ban in England, which would cause concern and distress to farmers across the whole of this nation. An urgent statement is therefore required to reassure them that a Government whom they already feel are badly letting them down will not let them down even further.

Mrs. Beckett: I know nothing disturbing about those arrangements, and those to whom they come as a surprise cannot have been awake while we were debating the Welsh and Scottish devolution Bills. I am happy to say that it is not my problem. Moreover, the idea that English farmers will be at a disadvantage assumes that they are incapable of selling into Wales and Scotland, which I would have thought was a slur that they would not be happy to hear.

It is clear that, as the Government have said repeatedly, any decision made on the matter must be on the basis of scientific advice. That has always been, and will continue to be, the Government's stance, and we all hope that the scientific advice will soon give us clarity.

Mr. Derek Twigg (Halton): Will my right hon. Friend agree to a debate on the economy, especially as under Labour we have the lowest mortgage rate for 30 years, inflation is under control and £40 billion is being spent on education and the health service? Will she consider a debate specifically about that £40 billion, because in discussing the Finance Bill this week, the shadow Chancellor said that his party supports our investment of £40 billion in health and education—but if we read the papers or listen to the news, we realise that there is a split in the Conservative party on that subject, and that such statements seem to cause problems? Should we not consider the matter? Is it not true that the Tories cannot be trusted on our public services?

Mrs. Beckett: My hon. Friend makes a sensible suggestion, but I fear I cannot help him with his proposal for a special debate. As he will be aware, we have debated the Finance Bill this week but, inexplicably, the Opposition chose to ignore the facts to which he has drawn attention—the low mortgage rate, low inflation and

the substantial investment in our public services. I understand his wish to remedy the defects in the Conservatives' choice of issues to debate, but I fear that I cannot find extra time.

As for whether the Opposition now support the investment in our public services, over the past few weeks I have heard the shadow Chancellor and others in the Conservative party saying sometimes that it was wild extravagance and sometimes that they supported it—and also that perhaps they did not support a change of direction. The Conservative party's position is far from clear, but I do not think that a debate would help us, because the party seems to have a split personality on the subject.

Mr. Norman Baker (Lewes): Will the Leader of the House arrange for a short statement on the worrying incident that occurred at Stansted airport, in which a package of highly dangerous iridium weighing 200 lb was discovered lying there, having been "lost in the post"? Had it been opened, it could have killed thousands of people. If she makes a statement, will she be able to explain why the package, having been lost between the United States of America and Mexico and having ended up at Stansted, lay undiscovered for 10 days; what steps the Government are taking to investigate the matter, whether the package was carried on a passenger airliner, and what the Government are doing to reduce the movement of radioactive material in general?

Mrs. Beckett: The hon. Gentleman says that the material was discovered "lying there". My understanding is that it was "lying" in a safe radioactive storage area, which is not quite the same thing. It was not exactly on a baggage trolley. Of course, I sympathise with the hon. Gentleman's concern about such material being untraced, but I cannot offer him an early statement on the subject.

This morning, I had the advantage of hearing part of the hon. Gentleman's interview on the radio, in which he called for a reduction in the movement of radioactive materials. Of course I understand his fears—public safety is a high priority for the Government—but if one were waiting to be treated with radioactive isotopes, or were concerned about the safety of something that was being investigated using radioactive trace techniques, one might be less sympathetic to the notion that such material should not be transported anywhere.

Maria Eagle (Liverpool, Garston): Can my right hon. Friend find time for an early debate—next week, I hope—on that part of the £21 billion that the Government are spending on the national health service that will restore free eye tests for pensioners from this month? The Conservatives abolished those during their reign, and it would seem appropriate for both sides of the House to have the opportunity to accept that that was wrong, while alerting many of our constituents, including almost 19,000 people in my constituency, to the fact that they can now go down to their optician and have a free eye test.

Mrs. Beckett: My hon. Friend is right, and I regret that I cannot promise time for such a debate, especially as it is important—as she rightly says—that pensioners understand that their right to free eye tests has been reinstated. There was much concern in the House at the time of abolition, even in the Conservative party, about the health consequences of that move. It has been damaging, and I am proud to be part of a Labour Government who have reversed it.

Mr. Geoffrey Clifton-Brown (Cotswold): May I ask the Leader of the House for a debate on the plight of those people on low incomes who have worked hard all their lives and are approaching retirement? They have been considerably disadvantaged by this Government's changes to the tax structure, including the abolition of MIRAS and the married couples allowance, the increase in national insurance for the self-employed and the rise in the cost of living caused by increases in petrol duty. Such people have worked hard all their lives on low incomes and may have saved a little, but they have no time left to build up their pensions. They can expect to retire on a lower pension not only because they have earned less in the past few years, but because of the tax changes to pensions.

Mrs. Beckett: I cannot offer a further debate on the matter other than the ones we have already had on the Finance Bill. The hon. Gentleman is addressing the wrong person. I shadowed social security for five years, during which time the Government whom he was proud to support did more than any Government in living memory to devastate the pension provision, the safety net and all the services that underpin support for pensioners, especially those on low incomes.

Sir George Young: Come on!

Mrs. Beckett: The right hon. Gentleman keeps saying "Come on". Business questions do not exist solely for the Opposition to have a go at the Government: the Government can have a go back.

Mr. Harry Barnes (North-East Derbyshire): If everything has gone to plan, a plane containing refugees from Kosovo recently landed at East Midlands airport. The refugees will be taken to Leicestershire and to a part of north-east Derbyshire in the constituency of my hon. Friend the Member for Bolsover (Mr. Skinner)—who will, I understand, soon be back with us and will be a solid representative of the refugees' needs. Can we have a debate specifically about the problems of refugees from Kosovo, both those who are in the countries around Kosovo and those who have been transferred to other areas? People have different views on how the refugee situation should be handled and what facilities should be available. It would be valuable if the House had a debate on the needs of the refugees, rather than another debate on the NATO bombing and the background to the situation.

Mrs. Beckett: I sympathise with my hon. Friend's concerns. Like him, I have heard the reports that some of the refugees will go to north-east Derbyshire. I cannot promise to find time in the near future for a specific debate on the issue of refugees, but I can assure him that the Government keep those concerns under review and will continue to discuss them. My right hon. Friend the Secretary of State for International Development made a statement on 21 March on the issue and we will continue to keep the House informed.

[Mrs. Beckett]

I share my hon. Friend's view that the matter will be kept under review by the powerful and beady eye of my hon. Friend the Member for Bolsover (Mr. Skinner). The Chamber is not the same without him and I am sure that all hon. Members wish him a speedy return.

Mr. Andrew Stunell (Hazel Grove): Will the Leader of the House arrange for a statement by the Home Secretary on the work of the Passport Agency? My constituents face delays of weeks and months in the return of their passports when they have made new passport applications. That serious situation especially affects families who now have to get passports for their children. I understand that since 25 March all passport applications have been diverted to Belfast because of the overload of the mainland system. Will she bring the Home Secretary to the House to explain the work of the agency and the measures that will be taken to rectify the problems?

Mrs. Beckett: I think that the whole House—and certainly all hon. Members whose constituencies include a substantial population from the ethnic minority communities—will be aware of how great are the difficulties being experienced by the Passport Agency and of their serious effect on the service available to people. I am not promising to bring my right hon. Friend the Home Secretary to the House in the near future to give an explanation, partly because it is a problem—a difficult and thorny one—which we inherited and are trying to resolve.

However, it is typical of IT problems that no one is willing to predict accurately when they will be sorted out. All I can say is that an enormous amount of work is being undertaken to try and resolve the matter. I believe that my right hon. Friend the Home Secretary has written to hon. Members—or will do so in the near future—to give them as much information as he can. As things stand, we can only do what we can to alleviate the worst of the difficulties and hope that proper service is resumed soon.

Mr. Gareth R. Thomas (Harrow, West): If it turns out that my right hon. Friend has been unsuccessful in persuading the Opposition to hold a debate on public services, will she reconsider the request of my hon. Friend the Member for Walsall, North (Mr. Winnick)? My right hon. Friend will be aware of the speculation last weekend that Michael Portillo, the former Member for Enfield, Southgate, may seek the Conservative nomination in my constituency of Harrow, West at the next election. Will she seek an assurance, through the usual channels, that Mr. Portillo's campaign for that nomination will not be blocked by the Leader of the Opposition?

Mrs. Beckett: I had seen some of those reports, and I think that many Conservative Members—not just the present Leader of the Opposition but the contenders for that post as well—will be very interested and alarmed to learn of the plans of the former Member for Enfield, Southgate to seek a return to the House. However, I fear that, even with the enticing prospect that we might further expose the divisions in the Conservative party, I still cannot find time for a debate.

Mr. Desmond Swayne (New Forest, West): Will the right hon. Lady arrange for a statement to be made early next week by the Minister for Sport, so that he can explain his remark about underachievers in the Scottish football team? He said that the team was the West Ham of world football and urged it to throw in its lot with the England team so that a United Kingdom side could take the field. If possible, can we have such a statement before Thursday?

Mrs. Beckett: I was not aware of the remarks of my hon. Friend the Minister for Sport. I fear that it is unlikely that I can arrange for a statement to be made before Thursday, but I rather suspect, for good or ill, that if the hon. Gentleman were to press my hon. Friend on the matter he may find my hon. Friend only too willing to explain his views.

Mr. Phil Hope (Corby): Can my right hon. Friend find time for a debate on the new campaign on agency workers launched this week by the Trades Union Congress? The campaign has the support of two reputable employment agencies, Manpower and Adecco, which are keen to promote the existing legal rights against rogue agencies and the new rights being introduced by the Employment Relations Bill. A telephone hotline is to be made available so that people can find out what their rights are, and a debate would give the House an opportunity to consider the merits of a European directive on establishing employment status and rights for all temporary workers in the European Union.

Mrs. Beckett: I entirely share my hon. Friend's view that the TUC's aim of improving standards in the industry is to be welcomed, and I very much welcome the campaign. There is much talk about the flexible labour market in this country, and it can be of advantage to both employers and employees, but decent standards must be observed. Good employers who try to do a sensible job and supply the needs of the employment market are let down if standards are undermined by rogue agencies. I hope that all hon. Members will support the campaign, which I hope will be successful. However, I fear that I cannot find time for a debate on the matter soon.

Dr. Julian Lewis (New Forest, East): Apparently well-founded reports suggest that nursery schools and pre-school playgroups have been closing at a rate of two or three a week. The matter was raised at Education and Employment questions this morning, but the Under-Secretary of State dodged it. The question also came up in Prime Minister's questions yesterday, and the Prime Minister flatly denied that the closures were taking place. Will the Leader of the House therefore find time for a statement from the Secretary of State for Education and Employment, so that we can get to the bottom of the matter and find out the truth about the harm being done to nursery education by the Government's policies?

Mrs. Beckett: I did not hear what my right hon. Friend the Secretary of State for Education and Employment said this morning, but I did hear my right hon. Friend the Prime Minister yesterday, and I fear that the hon. Member for New Forest, East (Dr. Lewis) must have misheard him. The Prime Minister said that the Government were making further investment in nursery education and that such facilities were being made more widely available.

The position clearly varies in different parts of the country, but I suspect that part of the reason for the concerns aired by some Conservative Members is that as

the Government have put substantial investment into providing additional nursery places through public funds, that investment may be reducing the need for some privately provided places.

Obviously, there are differences in provision, but that does not necessarily mean that there is less provision, and it certainly does not necessarily mean that provision is of a less high standard. Both the Prime Minister and the Secretary of State for Education and Employment were quite right to contradict any Conservative Member who said that nursery provision was declining under the Government. It is increasing; what is changing is how it is provided.

Mr. Bill Rammell (Harlow): Will the Leader of the House organise an early debate on the single currency? I ask that for the particular benefit of the shadow Secretary of State for Trade and Industry, the right hon. Member for Wokingham (Mr. Redwood), who, on Radio 4's "Today" programme yesterday, was diverted from his normal tirade against Europe into a discussion of splits in the Conservative party. Interestingly, the right hon. Gentleman seemed three times to refuse to back the stance taken by the Leader of the Opposition. I feel, therefore, that he—and both wings of the Conservative party—should be given the opportunity to debate the euro and explain why the Tories have dogmatically ruled out British membership for 10 years, regardless of the economic circumstances or potential benefits for the British people.

Mrs. Beckett: I also heard a large part of the interview with the shadow Secretary of State for Trade and Industry. I was deeply irritated that the interviewer, uncharacteristically, did not interrupt the right hon. Gentleman with what seemed to me to be the pertinent question. What struck me forcefully was not only that the right hon. Gentleman took his usual negative attitude to the euro, but that he spent his entire time saying that the fact that the euro had gone down in value was a very bad thing that would cost jobs and cause great difficulties in economies that have joined the euro. He said that it was, therefore, a jolly good thing that we were not in it. As that was the very opposite of all that he had said about the value of the pound since the general election, I could not understand why he was not questioned on that point by the interviewer.

No matter how inconsistent the right hon. Gentleman may be about his attitude to the euro and the pound, however, there is one matter on which he is entirely consistent—his attitude to whoever happens to be leading his party.

Mr. Owen Paterson (North Shropshire): Recently, the Minister of Agriculture, Fisheries and Food announced a review of meat inspection charges. A deluge of expensive regulation is sweeping away numerous small abattoirs and food businesses. If the review is to have integrity and win the respect of the industry, it is essential that it should be conducted by someone outside the Ministry who is truly independent. May we have a statement from the Minister on the grounds of the review, its timetable and who will lead it? If we do not have such a statement, the review will be seen to be an internal cover-up by the Ministry.

Mrs. Beckett: As my right hon. Friend the Minister announced the review during a debate in the House only last week, it cannot be called a cover-up. The details of how it will be handled are being considered. The Government think it right and necessary to hold a review into a regime that was largely introduced at the behest and under the supervision of the Conservative Government. The review will be thorough and carried out well. If the hon. Gentleman wants more details about specific matters, I suggest that he tables a few parliamentary questions.

Mr. John Healey (Wentworth): Can my right hon. Friend find time for an early debate on the schools repair programme? Is she aware that Labour has committed £5.4 billion to the programme, which is twice the amount that the Tories would have spent? Some 10,000 schools in England have already benefited, including Wath comprehensive, Swinton comprehensive and Wickersley comprehensive in my constituency, which received a total of about £150,000 for long-overdue repairs. Does my right hon. Friend agree that that should remind the House that while the Government are tackling problems that matter to people, factions in the Opposition are spending their time tackling each other with increasing ferocity?

Mrs. Beckett: My hon. Friend is entirely right about both the value and importance of the school repair programme and how much more important that is than the divisions in the Conservative party. He also reminds his local electorate—where the schools have benefited from this programme—and others of how important it is to give this Government the opportunity to continue to deliver on the promises that we made at the general election on the fundamental services that are of prime importance to the British people. I hope that message will be understood in his area and across the country.

Mr. John Bercow (Buckingham): Given the detailed newspaper reports about allegations that the Labour party in Sheffield and Hackney is engaged in a concerted campaign to persuade and browbeat frail and elderly people to apply for a proxy vote—including, the House should know, through the use of the publicly available register at local town halls, with a view to persuading people who have permanent postal votes instead to opt for a proxy vote—will the Leader of the House arrange for the Home Secretary to make an early statement upon this important matter? Does she accept that that would provide the Home Secretary with an opportunity to make it clear that he and the Government absolutely deprecate any such conduct in the run-up to the local elections and any others, that any such allegations will be thoroughly investigated by the Labour party nationally, and that any constituency Labour party found guilty of such malpractice will be immediately suspended or disbanded?

Mrs. Beckett: I have heard no report of the kind to which the hon. Gentleman refers. I think that he should be cautious in his language. There is no malpractice in encouraging people to take out a postal or proxy vote for their convenience. In many circumstances it can be sensible. As for the notion that in some way this is being misused, I have heard no reports of it whatever. I have not the faintest idea whether they have any reliability or are a wild figment of the imagination of some Conservative party supporter. In the only case of proven electoral fraud that I can recall in recent years, it was the Conservative party that was at fault.

Mr. Ian Cawsey (Brigg and Goole): My right hon. Friend will be aware that the Agriculture Select

[Mr. Ian Cawsey]

Committee this week published its report into badgers and bovine tuberculosis. As a result the Committee has largely backed Professor Krebs' report to the Ministry of Agriculture, Fisheries and Food, with some reservations. Those reservations are shared by the all-party animal welfare group, which I chair. We are concerned that in some parts of the country badgers will be obliterated with perhaps no good reason, and that in others badgers will be untouched for perhaps up to seven years, leaving farmers with the difficulty of dealing with bovine TB if it affects their herd and the cold comfort that the Government might see what they can do in five to seven years' time. That is of great concern to hon. Members who are interested in both the rural economy and animal welfare. Can my right hon. Friend arrange for a Minister from MAFF to come to the House to make a statement and hear hon. Members' views?

Mrs. Beckett: The Government have welcomed the Select Committee report. I understand that it is a careful and considered report, and we shall look carefully at its recommendations. We also take seriously the concerns of the all-party animal welfare group. It is difficult to balance the interests of badgers and those of cows, which are, of course, also animals. The Government have been looking at the matter carefully. I share the Select Committee's view that the matter should be handled with a policy approach which is science based. I cannot promise my hon. Friend an early statement on the matter, but I can certainly undertake that the Government will give the Select Committee report the full consideration that it deserves.

Sir Patrick Cormack (South Staffordshire): I thank the right hon. Lady for the answer that she gave to my right hon. Friend the Member for Cities of London and Westminster (Mr. Brooke). When she has these discussions on a possible change of business for the week after next, will she consider whether it might be a good idea, subject to agreement through the usual channels, to have the debate on the House of Lords reform White Paper that week, because it is long outstanding? It would be entirely convenient to debate that, whereas it would be inconvenient to have the debate that my right hon. Friend questioned.

Mrs. Beckett: I undertook to facilitate serious discussions about the business that was originally scheduled. I do not know what their outcome will be. It may be that the consensus is that it is right to continue with the business originally scheduled. We will have to consider that. As to what might replace it if the original business does not continue, this morning has shown that there is a plethora of interesting and engaging subjects, all of which will no doubt claim some part of the Government's attention.

Opposition Day

[10TH ALLOTTED DAY]

Housing and the Green Belt

Madam Speaker: I have selected the amendment standing in the name of the Prime Minister.

1.25 pm

Mr. Simon Burns (West Chelmsford): I beg to move,

That this House regrets the Government's record on allowing building in the Green Belt and development of greenfield sites and their failure to meet even their own targets for new building on brownfield sites; condemns their refusal to increase their 60 per cent brownfield site building target in line with their recently revised household projection figures; and deplores the Government's failure to protect the countryside.

It is a little over two months since our last debate on the Government's lackadaisical approach to protecting the countryside and their penchant for concreting over vast tracts of green belt and green-field land, with areas such as Stevenage, West Sussex, Sutton Coldfield and Newcastle as monuments to their anarchic approach to protecting our countryside and the green belt. Since then, there have been two significant Government announcements. First, there was the long awaited and long-overdue publication of the draft revised PPG3—planning policy guidance—on housing. Secondly, there were the revised housing projections, which showed a reduction from 4.4 million houses to 3.8 million.

In the light of those announcements and, given that some green-field development will be carried out, we must ask how it can be minimised and brown-field site development maximised. Will the Government's preferred approach enable us to do that sustainably and rationally, rather than by pursuing the field-by-field, trench warfare approach so characteristic of their efforts so far? Can the process be improved so that it becomes an opportunity rather than a threat?

Both in government and in opposition, we have maintained that as much building as feasible should be on brown-field sites. That is why we originally set the 60 per cent. target. My right hon. Friend the Leader of the Opposition raised it to 66 per cent. early last year. I am delighted that the Government have come some way towards our way of thinking and have accepted a 60 per cent. target, even if the Under-Secretary of State for the Environment, Transport and the Regions, the hon. Member for Greenwich and Woolwich (Mr. Raynsford), who I understand is to reply to the debate, regards the Government's policy as a recipe for disaster. It would be helpful if he would give greater details on how they will seek to achieve the target.

The latest available figures show that building on brown-field sites is lagging behind the target, at 53 per cent. PPG3 is supposed to be the blueprint for ensuring that the target is met, but will it have that effect? While we have waited for the guidance, and its long overdue publication, major green-belt developments have been given the green light in places such as West Sussex, Hertfordshire and the west midlands. If new housing continues to be built on green-field sites at the current rate, an area the size of Suffolk will disappear under concrete by the time today's school leavers reach retirement.

It is worth noting that, in Cambridge city council, both Labour and Liberal Democrat councillors voted for a major review of the green belt to be in the East Anglia regional plan. As the House knows, that means that several thousand houses will be built in south and east Cambridge on green-belt land if the changes take place. That would destroy the purpose of the Cambridge green belt, which is to preserve the unique setting of an historic city. PPG3 talks of extensions to urban areas, which we believe is in some ways misplaced, because it threatens the green belt in the example that I gave. I should be grateful if Ministers, instead of chattering among themselves, would give some thought to how, if the policy in Cambridgeshire goes ahead, the Government will fulfil the purpose of the green belt and protect the historic city of Cambridge.

In PPG3, the Government talk about urban extensions, but will such extensions not put an unbearable strain on existing infrastructures? We are told that we are to have a sequential approach to the choice of sites, with brown-field sites considered first. Will that slow the planning and development process yet further? Will the Government end up falling even further behind their own targets?

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Mr. Nick Raynsford): This is pathetic.

Mr. Burns: It is rather pathetic that all that the Minister can do is sit there and try to disturb my speech because he simply does not like having pointed out the inadequacies of his Government on this matter in the past two years.

As the Minister will know, a recent study published by the Civic Trust and the House-Builders Federation focused on 54 potential brown-field sites identified for building purposes as long ago as 1986. The study revealed that only 39 sites—72 per cent. of that land—had been developed at all in the intervening years and that only between 29 and 54 per cent. of the land had been developed for housing on all or part of a site. The report listed such constraints as contamination, problems of land assembly and what the authors called

"a lack of flexibility, creativity, technical and market knowledge in some local authorities."

If the possibility of developing a brown-field site is to be considered for years, but is ultimately to be discarded, the sequential approach could significantly slow up development.

While we are on the question of contamination, may I draw to the attention of the House the fact that, as I am sure the Minister accepts, this problem needs to be addressed urgently? Last summer, the Environment, Transport and Regional Affairs Committee report highlighted the issue. It said:

"We would be appalled if the necessary Regulations on land contamination has not been laid within 10 days of the House returning from the Summer Recess."

That was the summer recess of 1998, to be of help to the Minister. That was six months ago and no orders have yet been laid.

On 22 July last year, the Minister for the Environment said that the Government would bring the legislation into force in July 1999. Since then, there has been significant slippage. The Under-Secretary of State for the Environment, Transport and the Regions, the hon. Member for Mansfield (Mr. Meale), told me in a written answer on Tuesday that he hoped that the regulations would be laid in July this year and that they "should"—that was the word that he used, interestingly—be in force on 1 December.

The slippage and the pedestrian attitude that has highlighted the Government's general approach suggest that there is no sense of urgency. The Government seem to be oblivious to the fact that local government, the industry and environmental interests all eagerly await the regulations. The sooner they are in force, the sooner the clean-up and development of brown-field sites can go ahead. *[Interruption.]* I hope that Ministers, instead of asininely sitting on the Treasury Bench, saying, "Hear, hear," will pull their fingers out and do something so that we do not have the slippage that the Select Committee so hoped almost a year ago would not happen.

Barely do we have the revised draft PPG3 than the Secretary of State publishes his revised household projection figures. The previous figure of 4.4 million houses—on which all planners had been working—has been reduced to 3.8 million. At a stroke, the Government's targets for overall development, as well as for green-field sites, seem—superficially—to be more attainable. There will be less new development, presumably including that on green-field sites—or is that too good to be true? That remains to be seen, but the Opposition will certainly carefully study those figures and the assumptions that underlie them—when we know exactly what those assumptions are.

Mr. John Gummer (Suffolk, Coastal): Does my hon. Friend not think that it is odd that the figures have been revised without the workings being published? Has my hon. Friend noticed that a former professional adviser to the former Department of the Environment has said publicly that he cannot believe that those figures are correct and that he is unable to judge them because the workings have not been provided? We shall have to wait until this autumn to find out how the Government arrived at that conclusion. It would be nice if we could be given that conclusion, but is it not odd—indeed, even suspicious—to publish a new figure without explaining how it has been reached?

Mr. Burns: I am grateful to my right hon. Friend. Given the fact that the Government pay so much lip service to open government, one would have assumed that, when publishing sets of figures that would have such an important impact throughout the country, they would publish the assumptions and workings behind them. It is quite extraordinary that they have not; sadly, it is typical of the contempt in which the Government hold the House and the way in which it carries out its business that they are prepared to publish a result without the workings that elaborate on it.

Mr. Gummer: If that is the case, perhaps my hon. Friend will suggest to Ministers that, if they could manage a commitment of 60 per cent., or 4.4 million, of houses on brown-field sites, and, even if we are now to assume

[Mr. Gummer]

that the number is 3.8 million, they might agree—roughly speaking—to my hope, while I was Secretary of State for the Environment, of 75 per cent.

Mr. Burns: My right hon. Friend is absolutely right. I can reassure him that I shall deal with his intervention later.

At present, however, hon. Members in the Chamber are in a fortunate position, because the purpose of the debate is to hold the Government to account for their failings in a matter that has such a great impact on communities throughout the country. My right hon. Friend raised a most important point in relation to the publication of the new projected housing figures without any of the background work to support them. We are fortunate in that two Ministers are sitting on the Treasury Bench. Perhaps at least one of those Ministers would like to deal with the extremely valid point made by my right hon. Friend. Ministers could intervene now or, if they have to bide time by seeking the advice of their civil servants, we shall await their comments in either their opening or their closing speeches.

It remains to be seen whether the figures are too good to be true. We shall certainly examine them extremely carefully—as well as the assumptions that underlie them—when all the reasons for the Government's decision are available to us and to the rest of the country. However, we can calculate on the basis of the former figures that, if the Government have got the figures wrong, 600,000 families or individuals will have nowhere to live during the time span of the projected housing figures. *[Interruption.]* I can reassure the Minister that I fully appreciate—

Mr. Deputy Speaker (Mr. Michael Lord): Order. I would be grateful if hon. Members stopped making casual remarks from sedentary positions—that would be most helpful to the debate.

Mr. Burns: I am grateful to you, Mr. Deputy Speaker. I hope that you appreciate that I am fully aware that the time span has changed with the announcement of the latest figures, if only because the Government made it clear when they published the new figures in their press releases, which they kindly send to me.

We can calculate on the basis of the old figures that, if the Government have got it wrong, 600,000 families or individuals will have nowhere to live. We understand that the projections remain much the same in the south-east, but that there will be sharp falls in other parts of the country. We shall have to await the Secretary of State's contacting the regional planning conferences to outline the details before we know for sure whether our understanding is correct, but that is certainly what is rumoured. Will there really be fewer widows and divorced people in the next 25 years than were previously expected? If so, it would be interesting to know the basis on which the Government reached that conclusion. When will the Secretary of State tell regional planning bodies how the reduced 3.8 million projection will affect their areas?

Mr. John Wilkinson (Ruislip-Northwood): My hon. Friend makes a most interesting point about a hypothetical reduction in the number of widows and divorced people. Is the reduction in the figures not attributable, at least in part, to a projected increase in cohabitation? Whereas in the past people would live separately, they now live together openly.

Mr. Burns: My hon. Friend is absolutely right. The somewhat sketchy information which has so far been published gives the increase in cohabitation as one of the reasons for the reduced housing projections. It is important that we should have access to the workings that have gone into the figures, because it would be interesting to know the rate of split-up of cohabiting partners. Obviously, some cohabiting partners split up, as do married couples, but we are in the dark as to its impact because we do not know the details of the workings for the figures. Our uncertainty would be eased by being told exactly how the Government carried out their calculations, but I fear that time alone will tell.

The Government's announcement is hedged around with qualifications. It stresses that 3.8 million is not a precise figure; yet, even on the sharply reduced forecast, we shall need 150,000 new households a year, every year, for the next quarter of a century. All in all, the Government's recent announcement raises more questions than it answers, because they did not publish the evidence and the workings when they published the figures. The Government have got matters back to front by making an announcement of that nature and then expecting the country and interested parties to wait six months or so to see the complete picture that would enable them to form an independent view on how accurate and realistic the figures were.

Given that the emphasis on housebuilding will, in many cases, revolve around urbanism, the first objective must be mixed-use development.

The Minister for the Regions, Regeneration and Planning (Mr. Richard Caborn): As it appears that quite a lot of disinformation is going around, I should like to point out that the press release on household growth that was published by my Department on 29 March 1999 laid out the regional figures.

We did that, first, because it conformed with the practice of previous Administrations: nobody would question the ability and credibility of staff at the Office for National Statistics and, in one sense, the figures are not Government figures, but a reflection of what the ONS has said.

We did it, secondly, because, starting on 14 May, an important hearing will take place in the south-east—the examination in public of the guidance produced by the South East regional planning conference. The Government thought that it was responsible to ensure that the regional information was available to that hearing; but, as usual, the more detailed district and county information will be published later this year.

Mr. Burns: I fully accept what the Minister says, because we have all seen the press release. My point is that the Government have published figures up to a certain level, which they have not gone beyond. A Minister recently told me in a written answer that the Government could not confirm whether there would be any change in the projected figures for the county of Essex. He said that

we had to wait until the Secretary of State had written to the regional planning bodies. The junior Minister has kindly confirmed that that is absolutely correct. Of course it is, but, to understand the significance and the impact of the figures fully, we must know their effect on specific planning areas in a county. We do not have that information.

Mrs. Angela Browning (Tiverton and Honiton): Is it not extraordinary that the Minister prays in aid the fact that an examination in public is about to take place and the new figures are now available? However, when I asked him about the county structure plan and the EIP that had taken place in Devon but had not yet been finalised, he dismissed my question and said, "It has already taken place, so we cannot take account of new information." The Government seem to have one rule for one part of the country and another for somewhere else.

Mr. Burns: My hon. Friend is absolutely correct: the situation is nothing short of chaotic. That is totally unacceptable to the House, to local authorities which must do the work and to the public who want to know how the Government's policy will impact on their local communities.

Mr. Gummer *rose—*

Mr. Burns: I will give way once more and then I must make progress. Many hon. Members wish to speak in the debate.

Mr. Gummer: Is my hon. Friend not being far too kind to the Government? They have given a figure, but we know that the Office for National Statistics usually provides a range of figures and that the office must have done the work in order to produce that figure. Why do we not have the details of that work? Either the Government have those details, and will not publish them, or they do not have the details, in which case the figure is meaningless. In one way or another, the Government have got it wrong.

Mr. Burns: My right hon. Friend is absolutely right. It is inconceivable that the Government would not be prepared to publish the figures if they had them. It will be fascinating to hear the Minister's explanation. We want to know whether the Government have the figures. If they do have them, why can they not publish them, so that we can examine them now instead of waiting until later this year?

Mr. Caborn *rose—*

Mr. Burns: I said that I would take no more interventions; I wish to conclude. The Minister will have the opportunity to speak in about three minutes, when he will be able to provide all the answers that he likes.

The agenda for this building must be determined by scale, certainty, planning for sustainability and the proper use and distribution of planning gain for the benefit of the whole community. We believe also that, logically, if the projected housebuilding figure is to be reduced by about 600,000, it is time for the Government to be bold and to raise their 60 per cent. brown-field site target. The Government now have a golden opportunity to raise that figure to 66 per cent., as my right hon. Friend the Leader of the Opposition has done, which would be environmentally friendly and show badly needed common sense.

The Government know full well that some people, including my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), have suggested an even higher figure of 75 per cent. for brown-field site building. I believe that it is time for the Government to re-examine their 60 per cent. commitment and to raise it, given the changed circumstances.

The first two years of this Government's policy on the green belt and on green-field building have been characterised by bullying, destruction of the green belt and a lack of clear direction. The publication of the revised PPG3 and the reduced housing projection figures give the Government the chance to put their mistakes and the damage of the past two years behind them. Now is the time for the Government to think again and come up with a policy that is environmentally friendly and relevant to the country's housing needs, and will not ruin whole swathes of the countryside. I urge the Government to seize that opportunity.

1.50 pm

The Minister for the Regions, Regeneration and Planning (Mr. Richard Caborn): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the Government's continued commitment to protecting the countryside and promoting an urban renaissance, and maintaining tight planning controls over the Green Belt and other designated green spaces; recognises that the Government's decentralised and integrated policy approach is helping to achieve more sustainable and equitable patterns of urban and rural development; welcomes the Government's commitment to increase the proportion of new housing on previously-developed land in urban areas, smaller towns and villages from 40 per cent in the mid-1980s to 60 per cent; recognises the benefits of replacing the previous 'predict and provide' approach to the issue of household growth with a more flexible 'plan, monitor and manage' system; and believes that the Government's inter-linked policies for urban regeneration and protection of the countryside will enhance the quality of life for people in both rural and urban areas".

I shall begin by addressing the Opposition's charges against the Government—which have been poorly made—as stated in their motion. The Opposition claim that we are allowing large-scale development in the countryside and the green belt. Given the previous Administration's record, their charges are opportunistic, even hypocritical. I remind the House that it was Conservative Members who let the market rip. Clearly, they are trying, in speeches by their Front-Bench Members, to dissociate themselves from that policy. They did nothing to deal with the problems of urban sprawl and the decline of our inner cites.

Under the previous Government, large areas of the green belt were released for development and little effort was made to promote housebuilding on recycled land. Their record reveals that, between 1985 and 1995, only 42 per cent. of new homes were built on recycled land. They knew that their policy was not good enough, but they did not have the bottle to widen people's horizons and take on the "not in my back yard" syndrome.

[Mr. Richard Caborn]

The previous Government approved development in the green belt in places such as north Kent, Manchester, south Bedfordshire and Woking. Conservative Members deliberately mislead the public on housing development by confusing green-field sites with the green belt.

Mr. Gummer: Will the right hon. Gentleman give way?

Mr. Caborn: No. I shall proceed further with my speech before I let the right hon. Gentleman intervene.

It was, of course, also the previous Administration who embraced the inflexible, top-down, predict-and-provide approach to household growth and denied local people a say in how much new housing should be built and where in their region it should be built.

Mr. Gummer: The right hon. Gentleman quoted four places, but I can, off hand, point out that, in two of them, the developments were not housing: one was Manchester airport, which could hardly be built in the middle of a city; the other was a much-needed opportunity for jobs which the Labour party demanded. Will the right hon. Gentleman please not misinform the House?

Mr. Caborn: I shall not misinform the House. I shall give right hon. and hon. Members the facts and they can, if they want, read the three-page list of places where the Conservatives allowed green-belt development to take place.

What are this Government doing to promote new thinking on planning for housing and urban renewal? We are decentralising decision making and replacing the top-down mentality, with its predict-and-provide approach, with a more flexible system of plan, monitor and manage.

I shall contrast the previous Administration's role with the actions of this Government and past Labour Governments. The post-war Labour Government introduced the Town and Country Planning Act 1947. [HON. MEMBERS: "Oh!"] Yes, they did, and we are proud of the fact that they established the green belt and the national parks. If we read the history books, we find that Conservative Administrations have done nothing to protect the countryside and the green belt. They did not even challenge the predict-and-provide approach, as we are now doing with our system of plan, monitor and manage, which will be much more effective.

Mr. Ian Cawsey (Brigg and Goole): Conservative Members do not need to tell us what their plans for the green belt are, because in certain parts of Britain, those plans are evident. In north Lincolnshire, the area that I represent, the unitary authority that was formed in 1996 now has a Labour administration, which has drafted its first local plan. That would reduce green-field development, protect the green belt and prevent the over-development of villages. The Conservatives in opposition on the council oppose that draft plan and will stand for election next Thursday saying that they will overturn it if they are elected. They would increase development on green-field sites and in villages. A number of their candidates have, in the past, been personal beneficiaries of that policy, and they want it to be reinstated. That is what the Conservative party does to green-field sites and the green belt.

Mr. Caborn: That speaks for itself. It may be a Labour party political broadcast. Are there some elections in the near future?

Mr. Cawsey *indicated assent.*

Mr. Caborn: Yes, there are. Well, I hope that the electorate who will have the opportunity to vote in the local elections have taken note of what my hon. Friend said, which was very telling. Such behaviour obviously follows on from what the previous Administration did when they were in power.

The Government are developing innovatory ideas to regenerate towns and cities—a legacy of that previous Administration—to increase the use of recycled land and improve the quality of life of everyone who lives in urban areas. Our aim is nothing less than to drive an urban renaissance, providing for sustainable growth in both urban and rural areas.

What the Government have grasped, which unfortunately Conservative Members cannot seem to see, is that there is a link between protecting the countryside, the green belt and urban renewal. Everyone agrees about that. Many members of the Conservative party believe that we are approaching these issues in precisely the right way, and our approach has been commended by some Conservative Members from time to time. What is more, there is widespread support for the approach that the present Administration are taking to land use and transport planning. That support comes from the Confederation of British Industry, the house builders, and the Campaign for the Protection of Rural England, to name but a few. I shall quote from the CPRE press release.

"The Government's new planning policies begin to put teeth into its commitment to protect the countryside and revitalise the towns.

They should have a significant impact on the geography of new building and help to contain urban sprawl."

Mr. Burns: Will the right hon. Gentleman give way?

Mr. Caborn: No.

Therefore, I welcome the debate—the fifth that we have held on the subject in less than two years. I thank the Tories—the official Opposition—for letting us have a free party political broadcast on behalf of the Labour party. May we have many more in future? If we can arrange one just before the European elections, Mr. Deputy Speaker, it might help to get more Labour votes.

Let me repeat what we have already achieved since the previous debate on the green belt, requested by the Conservative party, in February. Our statement "Planning for the Communities of the Future" marked a break with the past and set out our objectives for the urban renaissance that I have mentioned. It signalled a departure from the days of predict and provide, and the previous Administration's laissez-faire policies.

We have set a clear 60 per cent. national target for new housing to be built on recycled land, which was supported by the Environment, Transport and Regional Affairs Committee. We believe that it is realistic and challenging,

and will encourage the regions to go even higher. By contrast, the Conservative party still seems unable to agree on any national target, and bandies figures about—as we heard this afternoon—without any idea of how they will be achieved.

We announced a significant increase in the funds available for urban regeneration and the protection of the countryside. We have launched the new deal for the communities initiative. We have increased the funds available through the single regeneration budget. We have freed up £5 billion of capital receipts for local authorities to use in their housing programmes. We have strengthened PPG6 to make an even firmer declaration of our intention to curb the excesses of out-of-town shopping.

We have devoted real resources to address the economic and social problems in rural areas. To mention one initiative, we have put £170 million into rural bus services. As a result, in many areas, people now have a bus service after years without one.

Mr. James Gray (North Wiltshire): The right hon. Gentleman has prayed in aid the CPRE. Will he explain why another non-governmental organisation, Friends of the Earth, described the recent Environment, Transport and Regional Affairs Committee report as

"a damning indictment of Government plans"?

Why did the Labour-dominated Committee say

"The Government's proposals are well-intentioned, but vague"

and

"not adequate to achieve their aims"?

How does he answer that accusation?

Mr. Caborn: We have answered the Select Committee report; I am a great supporter of Select Committees. I look at these matters historically and I am describing what we have done. The Opposition give me the opportunity to present a monthly report to the House on planning generally and I have set out what we have done, up to the February debate. I shall now tell the House this Administration's achievements since February. I am giving an update, and I have no doubt that the Select Committee will consider those issues. Friends of the Earth will then be able to make its judgment. I have no doubt that, like the CPRE, it will be converted and say that the Labour Government are doing an absolutely first-class job.

I have stated the Government's record up to February, and we have not been resting on our laurels in the few weeks since the Opposition last initiated such a debate. We have not stopped working and we will continue to modernise. We have issued revised drafts of planning policy guidance on development plans and on regional planning—PPG12 and PPG11. We have released the new household projection figures, set up a new system of plan, monitor and manage and officially launched the new business-led regional development agencies, which take a strategic overview of the needs of each of the English regions.

On 12 April, I published a report detailing progress on our modernisation planning initiative over the past 15 months. I sent every Member of the House a copy, to keep them informed. I have not heard any criticisms of the report since Conservative Members received it. If anything, I have had slight congratulation from one of them. We are now moving in the right direction.

On 23 March, we published our revised PPG3, on housing. I was asked about that in the previous debate on this subject. I am happy that the revised PPG3 was warmly received, even by those on the Opposition Benches. It represents a major departure from previous policy and introduces, for the first time, a sequential approach to planning for housing.

Mr. Andrew Lansley (South Cambridgeshire) *rose—*

Mr. Caborn: I shall give way in a moment.

No longer will there be a stampede to build ad hoc on green-field sites. Priority must be given to recycled land and vacant sites before green-field sites are built on—brown-field first must make sense. If Conservative Members think differently, they should say so. I give the hon. Member for South Cambridgeshire (Mr. Lansley) the opportunity to do so now.

Mr. Lansley: The Minister intervened earlier to say that it is important to distinguish between green-field sites and the green belt. He rightly says that the draft of PPG3 refers to a sequential approach for development plans in which previously developed land is considered first and green-field sites after, but PPG3 also refers to urban extensions. That could come into conflict with the green-belt policy. In respect of that sequential approach, why did not he say expressly in PPG3 that building on green-belt land should be a last resort?

Mr. Caborn: The hon. Gentleman knows that there is a presumption against building on green belt—it is quite specific. It is for local authorities to make recommendations—on structure plans and through the examination in public, which I thank the hon. Gentleman for taking part in—if they want to change the green belt. That is up to them. It is for the Secretary of State to decide whether to accept such changes.

As the hon. Gentleman knows, I cannot comment on any specific application or development of a structure plan, but the debates that people are having during the examination in public try to resolve some of those difficult issues. I remind him that there is a presumption against building on the green belt.

Mr. Lansley: I do not wish to misrepresent the Minister's view, but can I take it that I am therefore wrong to think that PPG3, which refers to considering extension of urban areas before considering the use of green-field sites, can come into conflict with PPG2 on green belt? Is it to be presumed under the sequential approach to development plans that building on, and allocation of, green-belt land for development should be the last resort?

Mr. Caborn: I repeat: there is a presumption against such development in PPG2, which refers to the green belt. If a planning authority wants an urban extension, which would be a major shift, that will have to be in its structure plan and the planning guidance. We have treated PPG3 like any other planning guidance. It is out for consultation at the moment and we will make the final decisions. I reiterate that there is a presumption against building on green belt. That stands.

[Mr. Caborn]

Let me deal with what will happen in the future. As I have said, I have given you an update on what has happened since the February debate—on what we have done in practical terms.

Mr. Deputy Speaker: Order. The Minister keeps using the word "you". I must ask him to use correct parliamentary language.

Mr. Caborn: I apologise, Mr. Deputy Speaker.

The Government's record up to and beyond February has been presented to the House; let me now say what we shall be doing in future. In a few weeks, we shall release the first figures from the national land use database, which will be a domesday book for the new millennium. We have had a big debate about building on brown-field sites. When this Government came to office, I asked a simple question: how much brown-field land was available? The answer was, "We do not know." One of our first moves was an attempt to establish the facts, so that we could have a reasonable debate. We wanted to discover exactly how much brown-field land we had in this nation of ours—and we should know the answer in the next few weeks. The information will give details of all brown-field sites that are ripe for development.

Before the summer, Richard Rogers's urban task force will publish its report, which will inject new ideas and momentum into our goal of returning life to our towns and cities. That report will be followed, later in the year, by urban and rural White Papers setting out practical policies for the implementation of the ideas presented in it. All our initiatives attack not just the symptoms but the causes of urban decline, with the aim of creating urban renewal. If we can make our urban centres more vibrant, exciting and pleasant places in which to live, work and play, we shall already have gone a long way towards protecting our countryside from the pressures of continued development.

Mr. Vernon Coaker (Gedling): My hon. Friend is aware of the situation in Nottinghamshire, because he has been there. He is now referring to perhaps the most crucial aspect of the planning system. If we cannot end the depopulation of our cities by means of the "joined-up" policies that he has mentioned, we really are in trouble. Urban regeneration—the tackling of problems such as crime, poor housing, the lack of services such as education, and under-achievement—is fundamental to the easing of pressure on the green belt.

Mr. Caborn: I know of the problems that my hon. Friend experiences in the Nottingham area. Under the new deal for regeneration, the Government have committed more than £3 billion over the next three years. That will complement the housing investment that I mentioned, and will make real improvements in the most deprived areas—areas to which my hon. Friend has referred.

On Monday I was in Manchester, announcing the names of the winners of a competition to build new homes at Britannia basin in Castlefield. That regeneration project attracted 162 entries, which was the second-highest response ever received by the Royal Institute of British Architects. The response demonstrates the extent of interest in the reuse of brown-field sites. Similar initiatives are under way elsewhere in the country, but that particular initiative involved designers and developers such as Tom Bloxham of Urban Splash, along with RIBA, in a creative move to combine the talents of many young people. We were told that that had never been encouraged under the last Administration.

Our enthusiasm for the urban renaissance shows that we are fully committed to the countryside. As the House is doubtless fed up with being told, more Labour Members than Conservative Members represent rural constituencies, and they are doing a damn good job. Our concern must be not just with the enjoyment of the countryside for its own sake, but for those who live and work there. Only this week, I had a discussion with members of our Back-Bench rural group to try to find new ways of returning life to the economies of run-down areas of rural England. Rural England is changing, and the new Labour Government will respond to that change.

The rural White Paper will examine the long-term future for the English countryside and how policies on the economy, health, education, crime, agriculture and the environment will support a sustainable countryside and rural communities in the future. It will consider how the prosperity and competitiveness of the rural economy can be strengthened, how development and regeneration policies can help those areas in need, and how we can ensure that all rural people have opportunities to participate fully in society.

Our consultation on the discussion document "Rural England" ends tomorrow, and we shall consider the responses carefully as we prepare the White Paper. *[Interruption.]* It is no good Conservative Members complaining. They initiated the debate, and I thank them heartily for enabling me to present the Government's record. [HON. MEMBERS: "Get on with it."] I am getting on with it. I hope that Conservative Members are enjoying it.

There will be close co-ordination as we link the urban White Paper to the proposals being developed in the rural White Paper. This is joined-up government with joined-up money. Our commitment to protecting our green spaces and green belt could not be stronger. As Opposition Members know, development is permitted in the green belt only under very special circumstances. There is a presumption against such development. We see the green belt as vital to stopping urban sprawl and supporting sustainable development. There is no evidence that we have any intention of weakening our policy on the green belt. The facts speak for themselves. Since we came to power two years ago, we have increased the size of the green belt by some 30,000 hectares. That is not a loss: it is a major gain.

I remind the House that green belt does not mean green field. A green-field site is any undeveloped land. Not all green belt is free from development. Many developments existed long before the green belt was defined. Development in green belt frequently involves redevelopment of previously used sites. This Government, like their predecessors, have a policy to try to ensure that such redevelopments yield environmental improvements compared with the developments they replace, and that happens by and large.

Equally, green belt is not a landscape designation. All kinds and qualities of land, including derelict sites, may be in the green belt. Less than 5 per cent. of green belt

overlaps with statutory national landscape or wildlife designations. Green belt is also not a national designation: it is primarily a local designation within a regional framework, and decisions about the setting and altering of boundaries, or about permitting development, rest primarily with the local authority and local people, and that will continue. That is why regional planning policy guidance shows the weight we attach to continued protection.

The future is about harnessing growth to promote a better quality of urban life and to bring life back to the hearts of our towns and cities. That will relieve pressure on the countryside. The Government aim to provide sufficient housing so that everyone who wants one can have a decent home. We also aim to ensure that houses are of better quality, built in a better environment, and provide for sustainable communities in which people are proud to live. *[Interruption.]* We even have young people on our side. That was a little cheer and a "Hear, hear". If Conservative Members disagree with the objective of providing decent homes for people to live in, they should say so.

Urban renaissance and protection of the countryside are not mutually exclusive: they are interlinked. That was one of the weaknesses of the previous Administration's policies. They let development rip in the green belt and on green-field sites, and they allowed inner cities and towns to rot. Let us stop this nonsense about urban versus rural and town versus city. Let us get on with the job of improving the quality of our housing and environment and creating real sustainable development. That is exactly what we are doing, and what we shall continue to do.

2.14 pm

Mrs. Angela Browning (Tiverton and Honiton): The subject of the protection of green-field sites in my constituency is not new to the Minister, because I have raised this matter with him. It would be remiss of me not to take the opportunity of today's debate, initiated by my right hon. and hon. Friends, to bring to the House's attention again the grave injustice in the county of Devon.

The Devon county structure plan consultation began almost two and a half years ago, when I was a Minister in the previous Government. I made representations in a written submission on behalf of my constituents. I wrote to my colleague, the then Minister at the Department of the Environment, prior to becoming involved in the county structure plan consultation. In November 1995, the then Minister, Mr. Robert Jones, wrote to me when I queried the number of houses predicted for Devon, and in particular the proposal for a new town to be built in my constituency on green-field sites. He said that

"these figures should not be regarded as inflexible targets and they should be subject to testing through the structure plan process."

As a constituency Member of Parliament, I do not claim to be an expert in planning matters. However, I have learned quite a lot in the past two and a half years. I have made written submissions at every opportunity throughout the structure plan process, and I spent four days at the examination in public in Devon, on three of which I gave evidence. The message that came home to me was that when the Government came to office, they did not share the previous Government's view that the figures should not be regarded as "inflexible targets" and should be subject to testing through the structure plan process.

As a Member of Parliament, I have used every democratic process open to me, including an Adjournment debate on the Floor of the House. I have personally presented a letter at the door of No. 10 Downing street to try to get Ministers to recognise the views of the people of my constituency. I am not the only one involved. On Conservative-controlled East Devon district council, there is cross-party opposition to the plan for a new town to be built in east Devon.

We know why there needs to be a new town in east Devon: it is nothing to do with my constituents, but it has to do with the views of the Labour-controlled city of Exeter, which wants to grow. That is not an unreasonable request, but it wants to expand at the expense of my constituents in east Devon, and to extend the borders of the city of Exeter into my constituency. That was made very clear at the examination in public, and it is why the Labour-controlled city council and its Member of Parliament have supported the proposal for the new town.

I should be interested to hear the Minister's views because although the area in question is not green belt, it is green field. When we talk about urban sprawl and pushing out the boundaries of urban areas, we are talking about such development coming into my constituency.

There is an additional complication in this particular part of my constituency. The land that has been identified as the most likely site for the new town borders Exeter airport in my constituency. The airport is vital to the economy not just of my constituency but of that part of Devon. There should be no development close to the border of the airport which would restrict its growth and development—that is important for its future viability.

That matter was raised in specific terms at the examination in public. Indeed, evidence was taken from people who gave the panel their views on the noise from the airport—noise such as that produced during the ground testing of aircraft engines at night when they are being repaired and serviced. I was shocked, because one of the Minister's predecessors in the previous Government told me in writing that examinations in public should not be site-specific. One cannot get more site-specific than the taking of evidence about the noise generated in a particular locality during the ground testing of aircraft engines.

What has really saddened me—and saddened my constituents, as proven in my own surveys, in questions from the media, and in public meetings that I have held—is that there is universal opposition to building that new town in my constituency. The people do not want it; the people do not need it. East Devon district council planning authority, which is the representative body closest to local people, does not want the new town, and has opposed it at every stage of the consultation process. Conservatives members of Devon county council have opposed it.

The Liberal Democrats on Devon county council are the ones who approved the new town and voted yes to it. Although some of the district council colleagues of the Liberal Democrats on Devon county council walked with me up to the door of No. 10 Downing street to oppose the plan, those county councillors voted for it because their leader said that, had they not done so, the Deputy Prime Minister would have imposed on the county of Devon even more punitive requirements—and the Government's bully-boy tactics generally in planning bear that out.

Mr. John Hayes (South Holland and The Deepings): I am rather surprised by my hon. Friend's comments, and

[Mr. John Hayes]

should like to be absolutely clear about them. I assumed, perhaps rather naively, that Liberal Democrats on the county council would be sensitive to local opinion, but perhaps my hon. Friend will clarify the true position, which I feel should be amplified. Although we already knew that the Labour party is in favour of urban sprawl and of developing green-field towns, is she telling us that the Liberal Democrats in her part of the country are also in favour of destruction of the green belt, green fields and the countryside?

Mrs. Browning: They voted yes; I sat in the county hall and personally witnessed it.

Perhaps we should not be so surprised that Ministers in the Department of the Environment, Transport and the Regions take the views that they do and create the impression that people hold of them—those Ministers carry baggage. The Minister for London and Construction, on 23 January 1997, before he was elected to government, told *Planning Week* that a target of 60 per cent. of brown-field sites would be "a recipe for disaster" because it would create excessively high densities in cities. He also said that there was "absolutely no doubt" that the only realistic way of meeting the housing figure was to develop new towns and settlements. The Minister shakes his head, but, if he has been misquoted, I hope that he will print a correction.

Before I initiated an Adjournment debate on the matter, to which the Minister replied, I took a rather unprecedented step: I telephoned his private office prior to the debate to let him know what I would say, because I was seeking some co-operation and help from the Government. I went even further.

I presented a letter at No. 10 Downing street to the Prime Minister, seeking his intervention, so that at least the planning authority—East Devon district council—might be able to sit down with Ministers and talk through its grave concerns about the proposals being imposed on it. I wrote:

> "Your Government has proposed that more homes should be built on brown field sites rather than green field sites. We agree. You have personally assured the people of Devon that local views will be listened to."

I took the Prime Minister at his word—more fool me: not only did he not intervene, but local people have not been listened to. I as a Member of Parliament have not been listened to, and the district council has not been listened to. The Liberal Democrat-controlled Devon county council has been bullied into pursuing a certain route—*[Interruption.]* Perhaps that is what the Lib-Lab pact is all about—or perhaps those Liberal Democrat councillors reached their decision voluntarily.

Mr. Raynsford: Before the hon. Lady mentions bullying again, will she just recall that the Conservative Minister whose record she was praising a moment ago proposed a housing figure for the county of Devon that was 7,200 higher than that which the Government have approved because of the county structure plan inquiry? Is that bullying by the Government, or hypocrisy on the part of the Conservative party?

Mrs. Browning: I personally wrote to the Minister, although he may not recall my letter, asking whether, if the Liberal Democrats who control the county council genuinely felt that they did not want to support the figure, but were genuinely concerned that Ministers would force them to accept an even higher one if they refused the initial one, he would—before we reach the final stage in the structure plan consultation—confirm to me that the councillors were misguided in that assumption. We have never had—

Mr. Raynsford: Answer the question.

Mrs. Browning: I shall answer the question in a moment. I do not intend to dodge the Minister's questions, as he has been dodging mine for the past year.

I wrote to the Minister so that I might be able to take his reply to the county council and say to its Liberal Democrat leader, "You have this wrong. Ministers are not going to foist anything on you. Democracy is alive and well and is living in Devon. Local people will be listened to, as the Prime Minister promised." But I was not able to do that.

We must therefore assume, in the absence of the type of assurance that I was seeking from the Minister, that perhaps the Liberal Democrats were right. *[Interruption.]* The Minister shakes his head and says no. I think that we must assume that the Liberal Democrats, like Labour-controlled Exeter city council, are in cahoots in the matter and are anxious to foist the new town, against the wishes of the people, on my constituents. It is no good the Minister shaking his head. We are going to have the town—we know it now—which will be a tribute to new Labour. We must find a suitable name for it.

Mr. Nigel Waterson (Eastbourne): Raynsfordville.

Mrs. Browning: Yes; that would be such a good name for it.

Mr. Raynsford: Will the hon. Lady give way?

Mrs. Browning: Yes—I am so generous to the Minister; it is unprecedented.

Mr. Raynsford: I am so grateful to the hon. Lady. Perhaps she will now answer the question that I asked her.

Mrs. Browning: I shall do so.

Whatever figures were finally arrived at in the structure plan, which is a democratic process involving many stages, my colleague in the previous Government explicitly stated in his letter, which I quoted to the Minister and in oral evidence to the examination in public, that the figures were not set in tablets of stone, but were subject to the scrutiny of the democratic process—namely, the structure plan consultation that has lasted for almost two and a half years.

What I do not understand, and what the people of my constituency do not accept, is that although we gave approval and support to the Government's announced policies of building on brown-field sites, of listening to local people and of following the democratic process, we could not get from Ministers one iota of sympathy or support. Ministers wanted to railroad through the proposals, despite the fact that, as we knew, revised figures would be forthcoming.

The Minister quoted the Council for the Protection of Rural England. The CPRE advised the Government that there was likely to be a readjustment of the figures. There was every reason not to railroad through the proposals, but to say, "Let's look at the new figures, revise our decision making, and allow the local people to revise their decision making in the light of local feelings and new information."

The Devon branch of the CPRE stated:

"The South West Regional Planning Conference is now aiming for the 'lowest technically justified figure' under the new process proposed in the revised Regional Planning rules, and at the end of this year we shall get the new household projections based on the 1995 figures (instead of the 1992 figures currently used) . . .

These are expected to show lower rates of net inward migration, but there are now serious doubts about other aspects of the national"—

housing—

"projections."

The issue was raised in oral evidence at the examination in public. Ministers knew about it, yet they have not been prepared to say that there could be a moratorium in Devon while the figures were analysed and considered further so that we would not have to rush into making decisions about building two new towns—one in my constituency—but would be able to reflect the views of local people based on accurate figures rather than on figures that have been universally accepted as out of date.

The Minister prays in aid representatives of the building industry. I sat through four days of an examination in public, before which the builders' representative in my constituency had already named the new town. What a mockery of democracy it is when a building company circulates literature and names a new town before the democratic process is over.

We do not expect to win this battle, but I do not intend to throw in the towel. We are now looking for evidence that the Minister is genuine in his desire to protect green-field sites, to use brown-field sites first and then to reassess the situation. I hope that if he is, he will accept from me a request by East Devon district council, which now has to produce the plans for the town.

Not only does the council have to produce those plans, but it has been told by the Prime Minister that it has to produce them. After I had presented my letter to Downing street, the Prime Minister wrote back to me, and his final paragraph states:

"East Devon District Council must now commence work as soon as possible to produce a Local Plan to 2011 which makes provision for the new community proposed in the Structure Plan."

That edict from on high before the consultation period was over was not greeted with joy in the county of Devon. It was one more example of the way in which the Government say one thing but, when faced with a situation in which they could have made a difference and stood by their word and their policies, they deliberately fail to honour them.

Will people from the Minister's Department sit down around a table, without press or publicity, with the representatives of the planning authority, East Devon district council, and discuss with them how they are now to apply the planning regulations to the new town against the background of the new rules under PPG3 and other guidance, which the Minister says now represent the way forward?

Why should the people of Devon be deprived of the opportunity to avail themselves of the new policies when the Minister has made such great play of them? We have said that we will support them too, yet he wants to deny them to the people of Devon. If he can answer my question and agree to that meeting today, I shall be most grateful.

Mr. Raynsford *rose—*

Mr. Gray *rose—*

Mr. Raynsford: Is the hon. Lady giving way?

Mrs. Browning: I was giving way, but I had also finished my speech.

Mr. Raynsford: I thank the hon. Lady. It was unclear, because her hon. Friend stood up behind her.

Mr. Deputy Speaker: Order. The hon. Lady cannot both give way and finish her speech at the same time. I shall assume that she was giving way to the Minister.

Mr. Raynsford: The hon. Lady must not confuse the role of Government with the role of the relevant local authorities—the county and district councils, which have specific statutory planning functions. She must recognise that the process has, quite properly, involved consideration at an examination in public of the figures in the draft structure plan, and the acceptance by Government of amended figures substantially lower than those proposed by Conservative Ministers in the previous Government. The consequences of the structure plan now have to work through to the local plans produced by district councils in line with normal planning procedures. The hon. Lady is a former Minister, and should know that it would be improper for any Minister to interfere inappropriately in such statutory proceedings.

Mrs. Browning: I am not asking the Minister to interfere inappropriately, but surely it is not unreasonable for a planning authority to seek advice from the Department on a specific issue. That request does not come from me personally; it is being articulated by me on behalf of the district council, and is an official request from the planning authority. I am sorry that the Minister does not feel that he can respond positively.

Mr. Raynsford: I assure the hon. Lady that the Government are only too happy to respond positively and that PPG3, which is now out for consultation, may be one element to be taken into account. I understood her to be seeking not advice but a meeting to negotiate the location of a new development, which would be different and entirely inappropriate.

Mrs. Browning: That was not the content of my letter to the Prime Minister. I ask the Minister to read carefully the wording of that letter, in which I said that we had had to accept that the planning decision had been foisted upon us. The meeting would be to advise the planning authority whether it could avail itself of the new policies, or whether the Government were saying that any changes in

[Mrs. Browning]

policy would not apply to the council in connection with the new development. It wanted to know whether it would have to adhere to the existing system.

It was on that basis, and in good faith, that the planning authority sought a meeting. The aim was not to alter the figures. We have recognised that we have lost that battle. The people of east Devon will remember it for ever as a battle that they fought and lost. We seek to ensure that whatever has to be done under statute, we make as good a job of it as possible. That is a sad situation.

2.35 pm

Mr. Colin Burgon (Elmet): I am pleased to be able to bring a northern perspective to this debate because as my constituency contains within its boundaries most of the green-belt land within the city of Leeds, green belt and planning issues concern me greatly.

Elmet contains towns such as Wetherby and Garforth, and villages such as Scholes, Barwick, Methley and Boston Spa, which value their separate identity within Leeds. As the Member of Parliament, my desire is to work wherever possible to maintain the character, identity and physical integrity of the towns and villages that I represent. I believe that the planning system should be used, where appropriate, to pursue that objective vigorously.

Like the hon. Member for Tiverton and Honiton (Mrs. Browning), I am a relative novice in planning issues, but I have increasingly realised that, certainly in a city such as Leeds, the future of the green belt is intimately bound up with the developments taking place in the inner cities.

There is little doubt that we need to maximise the number of new homes built on previously developed land—that is, on brown-field sites or, as many of us would prefer to say, recycled land. That will not only ensure that we preserve as many green-field sites as possible, but will regenerate our existing towns and cities. The need to make our urban areas attractive places to live is the other side of the coin of saving our countryside and green spaces. Any person who sees the green belt and urban renaissance as two entirely separate processes is wrong.

I am pleased to say that, as in many other respects, my city of Leeds is giving a lead in city centre regeneration. In my recent talks with councillors, it has been stressed that the city already achieves the Government target of putting 60 per cent. of its new development on recycled land. I am proud of my city, as hon. Members would expect, and I know that it is keen to do even better. The Government's task is to give the encouragement and support that will enable the council to do that. That will require economic, fiscal and regulatory measures in transport, land assembly, site remediation and building rehabilitation, to facilitate a partnership approach designed to achieve the desired objective of urban renewal—or, as the Minister called it, in language better than I could use, urban renaissance.

At national level, it must be remembered that many new homes—up to 1 million, it is estimated—could be provided by refurbishing rundown empty dwellings, by so-called "living above the shop" initiatives, and by the conversion of old office and industrial premises, as seen in many waterfront sites.

It must not be thought that recycled land is available only in urban centres. In my constituency, we have a 52-acre colliery site to be developed at Allerton Bywater. I am sure that because it has been chosen as a millennium village site, the development will be of the highest quality, but the other benefit to local people is that developing the recycled sites will enable us better to protect the green belt round Allerton, which separates it from its neighbouring village of Kippax.

The Government are fully behind the developments that I have mentioned. The evidence, as outlined by the Minister, is clear from the document "Planning for the Communities of the Future", and from the work of the urban task force under Lord Rogers, alongside whom I am happy to serve on the Millennium Commission advisory panel. I am impressed by his grasp of the subject. There is also the initiative of the millennium communities, and the recently issued draft planning guidance on housing, PPG3, which will be much discussed this afternoon.

The other key policy strands promoted by the Government that develop the new thinking—I shall not say "joined-up thinking"; I had better stick to the phrase "new coherent approach"—are sustainability and integrated public transport. Sustainability requires us to cease pepper-potting new housing developments in small villages and towns, and to focus on more substantial mixed tenure and mixed use developments which contribute to viable and mixed communities. Everybody deserves a decent home, and affordable housing provision must be an integral part of our approach. Nowhere is that more evident than in the Wetherby area of my constituency. Far too often, young people are priced out of living in that area. That cannot be right and I hope that the Government will encourage local councils to develop ways of making the long-talked-about aspiration of affordable housing a reality.

The emphasis on enhanced public transport provision similarly requires us to concentrate development along existing or potential public transport corridors instead of in relatively isolated and car-dependent communities. That might, in special circumstances, require the redrawing of green belt boundaries—their relaxing in public transport corridors, but their tightening elsewhere. I know that Ministers will be actively considering the implications of such an approach.

In looking ahead, I urge the Government to do two things. First, they should simplify and demystify the planning system. Much of it is virtually incomprehensible to non-experts. In our successful campaign to defend the green belt around the village of Thorner, a key element was the painstaking and detailed work of Ruth Long, the secretary of the action group, but not everybody will be as lucky as we were with her support. Secondly, we all recognise the need for a proactive and modernised planning system at both regional and local level, and a strong partnership approach to implementation involving the local authorities, the private sector and public transport operators.

My constituents recognise, and I never tire of telling them, that it was a Labour Government who first established the green belt and the modern planning system in 1945. It is a Labour Government who will be prepared to plan and regulate for a more cohesive and sustainable society for us all.

2.42 pm

Mr. Tom Brake (Carshalton and Wallington): There can be no doubt that the Tory party has a death wish—which is something to be encouraged. That is obvious from the way in which it is conducting the local election campaign and its well-publicised splits, and from the subject it has chosen for debate today.

Let us consider the Tories' record; it is not one to be proud of. They achieved only just over 40 per cent. of development on brown-field land, as we have heard from the Minister. Every hon. Member can think of green-field developments in their constituencies which the previous Administration allowed to proceed. In many cases, the previous Secretary of State forced through those developments, both residential and out of town, on appeal. We all know that it is de rigueur in the Tory party these days to apologise for past mistakes, whether Thatcherism, or underfunding of the NHS or the state education system. The Tories should also say sorry today for desecrating our towns and countrywide.

Mrs. Browning: Will the hon. Gentleman explain why the Liberal Democrats on Devon county council voted yes to a new town in my constituency?

Mr. Brake: The hon. Lady has already given the answer to that question. She will be aware that the previous Secretary of State used bully-boy tactics to drive through planning applications, and I am certain that the current Secretary of State is no stranger to strong-arm tactics.

I am grateful to the official Opposition for initiating this debate, because it gives me the opportunity to examine Labour's record. I have perhaps a more balanced view of what the Government have achieved so far than the official Opposition. The Government have abandoned predict and provide, which is good, but they have replaced it with plan, monitor and manage—or PMM. It is always difficult to know what acronyms stand for, and the view of many experts is that PMM is an unknown quantity.

This Administration have set a higher target for brown-field development than the previous Administration, and that is a good decision. However, they have not so far indicated that they are willing to revise that figure upwards on the basis of the change in the household projections. I am sure that the Minister, when he responds, will explain why the Government cannot increase the 60 per cent. figure, but I understand that it was anticipated that 175,000 houses would be needed each year when the projection was for 4.4 million new households.

It is now anticipated that 150,000 houses will be needed each year. Sixty per cent. of 175,000 is 105,000. Surely the Government will still be able to achieve 105,000 houses, even though it is now anticipated that only 3.8 million new households will exist. Therefore, in 10 years' time, when the Government anticipate hitting the 60 per cent. target, they will actually hit a 70 per cent. target, because 105,000 is 70 per cent. of 150,000. I hope that the Minister will tell the House that he is considering increasing the target.

Mr. Raynsford *indicated assent.*

Mr. Waterson: I am grateful to the hon. Gentleman for adopting the point that my hon. Friend the Member for West Chelmsford (Mr. Burns) made earlier. I wish the hon. Gentleman luck, because the Minister for the Regions, Regeneration and Planning, who replied to my hon. Friend, totally ignored the point. The hon. Gentleman may have more luck with the Minister who will wind up the debate.

Mr. Brake: The Minister has been nodding, so I hope that his reply will have some substance. The hon. Member for West Chelmsford (Mr. Burns) highlighted the concern about the absence of any precise regulations covering the clearing of contaminated land. That is a major omission which the Government should address as soon as possible because without such regulations, developers will not be willing to develop brown-field sites.

The Government have issued draft PPG3, which I accept is good in parts. However, it mentions the need to take into account the Government's latest household projections. Will the Minister explain whether that will lead to a bottom-up or a top-down approach to establishing the number of houses needed in each region? PPG3 requires further consideration. The Minister for the Regions, Regeneration and Planning quoted the Campaign for the Protection of Rural England, but that organisation described the draft PPG3 in its current form as too sketchy. I hope that he will put some flesh on the bones of PPG3 shortly.

PPG3 says that the sequential approach should give priority to the reuse of previously developed land, bringing back empty homes into use and promoting the conversion of empty buildings. Those are all very sensible aims, but why is there a complete absence of any mechanisms to achieve such worthy ends? For example, PPG3 does not include a green-field development tax, or VAT equalisation for new build and conversions. It is upbeat about urban design, but so far, the Government have not willed the means to achieve such lofty aims. Where will local authorities find the staff—and the money to pay them—to deal with the issue?

What is the Government's role in relation to urban design? I understand that the Government have disbanded their urban design team. According to the Civic Trust, there is not a single person with sole responsibility for design in the DETR, although the Government managed to find £8 million for the Highways Agency to increase its maintenance programme. I understand also that the Government are not willing to fund the Urban Design Alliance, which is supported by many professional organisations. *[Interruption.]* If the Minister considers that to be rubbish, he can say so in his response, but that is the view of at least one significant organisation with an important role to play in urban design. The Government are paying lip service to good urban design, but that will not stop a single mock-Tudor mansion being built in this country. Providing staff and resources will.

PPG3 should be an opportunity to meet the environmental challenges posed by new homes, which include a threat to dwindling water supplies in parts of the country and an increase in CO_2 emissions. There is also the potential to use renewable energies in new housing stock, and a lot could be done in that respect. I am pleased that my local authority, the London borough of Sutton, is taking the lead on these matters and will soon install solar panels in some of its social housing—an action that I commend to the House.

[Mr. Brake]

The London borough of Sutton also supports a project approved by the Secretary of State to establish a zero-energy residential development. I understand that this is the first instance of the Secretary of State approving an application in which the local authority has accepted the second-lowest tender, rather then the lowest. The application was allowed to proceed because it was a sustainable development project. I welcome the Secretary of State's backing for that scheme.

There is much to be done about building regulations, to improve energy conservation and the reuse of water. I hope that the Minister will say something about that, either today or when PPG3 is reissued. I hope too that he will spell out how PPG3 will be implemented. It is one thing to issue a document in draft and again after consultation, but it is another thing entirely to ensure that what is contained in the document is implemented.

What is the Government's action plan for implementation? What training will be given to staff in the Department of the Environment, Transport and the Regions and in the relevant Government offices so that they understand what is in the document? What best practice guidance will be issued? What will the Government do to ensure that local authority decisions reflect the contents of PPG3?

I look forward to the Minister's response to these important questions. I hope that he will be able to give some detailed explanations and reassurance on these matters.

2.52 pm

Mr. Peter Bradley (The Wrekin): When I came into the Chamber this afternoon, I was half expecting Conservative Members to stage a break from their Thatcherite past. No doubt they have rewritten their speeches several times since Monday, but sadly, it seems to be business as usual. They have nothing new to say about housing, planning or the green belt.

As my hon. Friend the Minister noted, this is the fifth time that this debate has been held in recent months, which makes it all the more surprising that the subject has been chosen for an Opposition day. I could not help but notice that there were never more than nine Back-Bench Conservative Members present during the opening speech by the hon. Member for West Chelmsford (Mr. Burns). Two drifted away during his oration and—such were the rumours spreading through the House about the quality of the speech—one came in, then left again. No doubt that Conservative Member had far better things to do in the precincts of the House, given the modern Conservative party's greater interest in bloodletting than in housebuilding.

As the hon. Member for Carshalton and Wallington (Mr. Brake) said, we have heard no apology for the Tory record during 18 years in office. In that time, we saw new lows in housing investment, ever-reducing numbers in social housing, record mortgage arrears and repossession rates, and spiralling levels of homelessness. The previous Government had no understanding of the need to integrate jobs with housing provision. They presided over a free market free-for-all—a NIMBY charter—in which there was housing for the few and exclusion for the many. It is to those few—that dwindling sector of the electorate—that today's Conservative party is pitching its appeal.

Conservative housing policy contributed to the pressure on the green belt about which Opposition Members now complain. That they have chosen this subject for debate shows how out of touch they are, in town and country alike.

As has been noted, the number of Labour Members with rural and semi-rural constituencies is greater than the total number of Conservative Members, and greater than the total number of Conservative and Liberal Democrat Members in rural seats put together. Last July, the rural group of Labour Members wrote to about 25 leading countryside and rural organisations to ask what they thought should be the Government's top five priorities in this Parliament. The organisations contacted were authoritative, and included bodies such as the former Rural Development Commission, the Countryside Commission, the County Councils Network, the Country Landowners Association, the National Farmers Union, the National Association of Local Councils and the National Trust.

None of those bodies referred to the green belt in response to our question about priorities, but there was a strong consensus about the need for modern, flexible planning regimes and for affordable housing in and for rural communities. The Conservative party in opposition may be as deaf to those priorities as it was in government, but they make up the real rural and housing agenda in this country.

In 1990, the Rural Development Commission estimated that about 80,000 additional and affordable homes would be needed in rural communities in the five years to 1995. Fewer than 17,000 were provided under the previous Government, who provided neither the necessary funding nor the planning regime that would have made available the land supply for the development of that housing.

Mr. Gray: Will the hon. Gentleman give way?

Mr. Bradley: No, I want to make progress, as I know that other hon. Members want to contribute.

Tory councils up and down the country set their face against the provision of social housing. It is a shame that the hon. Member for Tiverton and Honiton (Mrs. Browning) is not present to hear that, although the average in England for the provision of social housing was 23 per cent., the figure was as low as 15 per cent. in rural districts, which were mainly Conservative-controlled, during the years of the Conservative Government. The matter was left to the market.

In 1979 and 1990, surveys by the Department of the Environment, as it then was, found that one person in four in rural communities lived on the margins of poverty. In 1991, the Rural Development Commission estimated that about 40 per cent. of the rural community could not afford home ownership. Even so, between 1985 and 1990, 91,000 council homes in the countryside were sold under the right-to-buy provisions and not replaced. Indeed, the Department of the Environment, Transport and the Regions has estimated that most new private housing in the countryside was at the upper end of the price scale.

The previous Government's policies encouraged migration into the countryside. That has led to the gentrification and geriatrification of rural communities, and forced up land and house prices. It has also forced out the rural poor, young and old alike, and meant that

rural homelessness spiralled upwards at a rate far in excess of the frightening levels evident in towns and inner cities.

All that has applied pressure to housing in urban centres and the green belt, where young people from rural communities have been forced to migrate in search of homes and jobs. It has contributed to the undermining of rural communities and the breakdown of their social infrastructure. Without housing and employment for the next generation, who will send their children to the village school or buy their provisions at the village shop? That is why, under the previous Government, village schools were not considered viable and were closed, and why village shops have been in decline.

Yet 10 million people live in the rural communities of this country. Of the 1 million homes that it has been predicted that they will need between 1991 and 2011, 500,000 will be generated in and by rural communities. No one argues against the idea that a policy to protect the green belt is important, but it is a delusion to think that somehow it will aid people living in rural communities.

In a full page advertisement entitled "Affordable Homes is the Key to Sustainable Development", the RDC said:

"If the current concern about development in the countryside leads to even tighter constraints, the situation will worsen for many rural people."

The RDC has no axe to grind. It has come to an objective assessment of the needs of rural communities and how they should be met. Elsewhere, the RDC has also said:

"We are concerned that many of the policy responses to the household growth debate adopt an environmentally biased interpretation of sustainable development which undermines the achievement of related social and economic objectives . . . From a rural perspective, therefore, urban concentration can exacerbate rather than combat social exclusion."

There is a desperate need for proper recognition, by central and regional government, and by local authorities themselves, of the needs for new housing in rural communities. There is a desperate need, too, to increase the funding and assistance made available by the Housing Corporation for that purpose. There is a need for innovative approaches to the identification of land, and the funding of social and affordable housing in the countryside to overcome the diseconomies of scale, and the additional costs of land acquisition and building involved in such projects.

There is an even more pressing need for a flexible and sensitive planning regime. Draft PPG3 goes some way towards providing a system under which land supply can become less problematic. I hope that the Green Paper will say something about making it possible for local authorities to define the tenure of the housing that they seek to provide to address local need.

There is an urgent need for integrated and strategic planning. The regional development agencies will have a major role to play in ensuring that wherever jobs go, housing exists for people seeking them. Without both jobs and houses in local communities, people will migrate either to find employment or to find homes because there are none in their local communities.

The need for jobs and housing requires a more flexible approach to planning in the countryside, and that is the way towards sustainable community life. That is the way to sustain the village shop and the local school. That is how we can reduce dependency on both public and private transport in the countryside. It is the way in which to reduce the migration that distorts the demography of both rural and urban communities. It is also one means of reducing pressure on the green belt.

Only so much can be achieved by recycling brown land. Infill development is important, and it can probably make a larger contribution than many people suspect. However, it is not of itself the answer. I am not just reconciled to the idea, but eager to see green fields developed for the community where such developments are needed, where there is local consent and consensus, and where the form and quality of the development is sensitive and appropriate. After years of dodging the problem, we should listen to the voice of rural communities, because that is what they are saying. We should show leadership in government.

The Government's emerging housing and planning policies are making an important start on that crucial project. However, the reduction of the Housing Corporation's approved development programme from 6 per cent. to 2.3 or 2.4 per cent. is disappointing. Only 883 new homes were built in 98 districts last year, with 218 districts receiving no allocation. We need to address that point.

We need proper local assessment of housing need in rural communities. There must be a rural element in the new deal for communities. We need more resources, and the reinstatement of the Housing Corporation's approved development programme to at least 6 per cent. A greater commitment is also required from the capital receipts initiative in rural communities.

We are developing innovative partnerships between the private sector, local authorities, social landlords and funding institutions, and that development must be accelerated. We need a more flexible planning regime, and I hope that we will have one soon. We also need a greater sense of leadership at parish council level. Development in rural communities is controversial and it requires imagination and commitment.

The Government must send town and parish councils the message that they are committed to their future. We have not done that with sufficient emphasis in previous consultation documents about the future of local government, and we must give parish councils the tools that they need to show the real leadership that we require of them in the countryside. A new planning regime is required which attaches more importance to consultation, consensus and consent.

The Conservatives do themselves no favours, and do rural communities a great disservice, by submerging rural needs and legitimate aspirations in their crocodile tears for the green belt. The Government are talking to rural communities, and listening to them. A concerted start has been made on reducing the problems of homelessness and lack of housing in rural communities, but a great deal more remains to be done. It will not be easy to achieve the targets that we should be setting, but with a proper understanding of the problems, a commitment to address them and a sense of true partnership with rural communities, we will get an important job done.

3.6 pm

Mr. James Gray (North Wiltshire): It is a pleasure to follow the hon. Members for The Wrekin (Mr. Bradley) and for Carshalton and Wallington (Mr. Brake). Both

[Mr. James Gray]

exposed their essentially urban, or suburban, outlook on this problem. I agree with the hon. Member for The Wrekin that it is important to find affordable housing in our villages. That is precisely why the Conservative Government abolished the right to buy from housing associations in small rural villages. Throughout our discussions on these matters, we have said that children of those who live in villages must be found affordable housing. Attempts to pillory the Conservative party on that point are misplaced. The hon. Gentleman addressed the rest of his speech towards finding more space for housing in rural areas.

The hon. Member for Carshalton and Wallington speaks entirely from a suburban London standpoint. His main proposal was to provide more training for officials at the Department of the Environment, Transport and the Regions on how to interpret PPG3. That is not an overwhelmingly important call. Perhaps it says more about the Liberal Democrats than anything else.

Both hon. Members felt it odd that we should have chosen the subject of housing and the green belt for debate in the run-up to the local government elections. We did so for the very good reason that we alone fight the corner of the countryside against unreasonable development. As evidence of that, the hon. Member for Carshalton and Wallington may care to consider that Councillor Eric Hodges, the Liberal Democrat chairman of a Wiltshire council committee considering these matters, was reported in the local paper this week as jettisoning his opposition to unattractive development between Swindon and Wootton Bassett. If he could have a bypass for the latter, his own town, he would be happy to accept the 4,500 houses involved. That is typical, of course, of the Liberal Democrats. They pay great lip service to preserving the countryside, but as soon as they see some opportunity—a bypass here, a bypass there—my goodness me, they give in to the Labour Government.

This is the second opportunity that the Conservatives have had this week to demonstrate that we are the only people who care about the countryside. The first came on Tuesday, when we debated clause 2 of the Finance Bill and opposed the Government's absurd increase in the price of petrol, which is so damaging to my rural constituents. Today, we can demonstrate our real concern for the green belt. I welcome that opportunity as I am certain that the debate will be widely covered in local papers throughout the country. What we have to say will have a significant effect in the local government elections next Thursday.

Let me turn to the overall household projection figures. When I was a special adviser to my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), we said to officials—some of whom may well be listening this afternoon—that it was essential that they should find ways to revisit their original 4.4 million projection. Over a period of months they came back and said, "Terribly sorry, Minister, but there is absolutely no way that we can revisit the figures. We have gone over them in every possible way—backwards and forwards, upside and down. These are the figures. These are the statistical projections. There is nothing we can do about it."

When I was on the Select Committee which recently looked into the matter—two or three other hon. Members in the Chamber today were there too—we again cross-examined officials and Ministers backwards and forwards. We pressed them. We tried to say, "Surely these figures must be wrong." The message consistently came back, "Well, they may be wrong and we fear they are too low. We predict that the outcome is likely to be 5 million rather than 4.4 million, but we are certain of the absolute robustness of the 4.4 million figure." The Select Committee report on the matter goes to great lengths to say that 4.4 million is, indeed, the figure.

It is surprising, therefore, to discover that the real figure is only 3.8 million. As my hon. Friends have already pointed out, it is extraordinary that the Government can come out with this figure, in the run-up to local government elections incidentally, but with no kind of arithmetic workings as to how they have reached it. They should know that when they do come out with the arithmetic in the autumn, we shall examine it robustly to see exactly how they reached that figure and exactly why they chose to come out with it at this time.

Dr. Alan Whitehead (Southampton, Test): Does the hon. Gentleman accept that the two figures are based over different time periods?

Mr. Gray: The point about time periods is not necessarily a good one, or if it is, the Government must tell us what the figure would increase to in the period up to 2016.

We can bandy arguments about statistics across the Chamber all afternoon. The most important point is that if, indeed, the new household projections are decreased and if, under the 4.4 million figure, we could get 60 per cent. on to brown-field sites, presumably at 3.8 million we can get significantly more than that on to brown-field sites. I challenge the Minister to respond to that point later this afternoon. So far, he has been weak on everything he has said on this subject. The Select Committee described his evidence as, I think, vacuous and misleading. This afternoon we challenge him, if the projections are as low as his officials are now telling him, to say that he will increase the amount of housing that can be accommodated on brown-field sites.

Mr. Raynsford: Does the hon. Gentleman recall that he went public in this House a few months ago to say that many people had expressed doubts about the validity of the figures, but he, having looked at them, accepted that they were soundly based? If that is the case, why is he not criticising himself for his own lack of judgment?

Mr. Gray: I am grateful to the Minister for that reminder to us all. I was quoting the Select Committee report. As a member of the Select Committee, I naturally accepted what it said. I am amazed to hear that his officials have now overturned what the Select Committee said and what they themselves said only two or three years ago when I was a special adviser. Nevertheless, it is interesting. Doubtless the Minister will respond to the point during his speech.

Mr. Wilkinson: Will my hon. Friend give way?

Mr. Gray: My Whips tell me that I must not give way too often, so I hope that my hon. Friend will excuse me if I crack on a bit. Perhaps he will have an opportunity to contribute shortly if I am reasonably brief in my remarks.

I want to refer in particular to my constituency and what is happening in Swindon, not merely because of the constituency interest, but because the Government's approach to the inexorable westward growth of Swindon is a litmus test of their approach to this problem. The Government will know that the Labour-controlled Swindon borough council together with the Liberal Democrat-controlled Wiltshire county council, reached a figure of 66,000 new houses for the county, of which 22,000 would be in the area around Swindon. That comes from a Labour borough, not a Conservative one. According to the new figures just produced, the total has increased to 70,000 houses for the county, of which 26,000 will be in and around Swindon. As a result it looks increasingly likely that the ever precious rural buffer zone between Swindon and my constituency may well be breached.

In the Government's response to the Select Committee report, the Secretary of State said that he would look again at whether or not rural buffer zones should be increased to the strength of the green belt. I challenge the Minister to tell us what his thinking is on the subject of rural buffer zones. Will he reassure me and my constituents in rural north Wiltshire that the rural buffer zone around Swindon will now be strengthened, so that if these extra houses must be found by Wiltshire county council and Swindon borough council, they will not be built on the rural buffer zone between Swindon and my constituency?

Mr. Gordon Prentice (Pendle): Will the hon. Gentleman give way?

Mr. Gray: I am sorry, but I am under time constraints. I hope that the hon. Gentleman will forgive me if I do not give way. I have been asked to be as short as I can.

The Minister will know of the local view. The *Western Daily Press* headline states:

"Prescott homes plan 'a threat to villages'."

He will know that villages in my constituency have objected to the proposed modification structure plan. In particular, I think of Wootton Bassett, Purton, Lydiard Millicent and Lydiard Tregoze. All the towns and villages around the eastern border of my constituency are threatened by the ever westward sprawl of Swindon.

I challenge the Minister to tell me what he intends to do with regard to Wiltshire and the threat from Swindon borough council. The Minister shakes his head to tell us that he will give us no indication at all. For legal reasons it may be wrong for him to comment at this stage of these considerations.

Mr. Raynsford: The hon. Gentleman well knows that.

Mr. Gray: I accept that point and, as the Minister says from a sedentary position, I well know that myself. It may be that he will not comment this afternoon, but he should know that eventually he will have to sit in judgment on these figures and the structure plan. The House will judge his commitment to both saving the green belt and the countryside by what he does to north Wiltshire.

We are under threat not only from Labour-controlled Swindon expanding westwards, but from the Minister's projections and attitude to the countryside. If the Minister will not be specific on the subject of Swindon, I challenge him at least to be so robust in his remarks this afternoon on the subject of the rural buffer zone that that will be taken into account by local planners—then I can tell my constituents in north Wiltshire that, contrary to what the Liberal Democrat leader of the committee has said, and contrary to what the Government are doing elsewhere in England, they are safe from Swindon.

3.16 pm

Dr. Alan Whitehead (Southampton, Test): It has been interesting to observe, over the five debates that we have now had on this issue, the evolution of the Conservative party from its previous stance—which I well remember as a leader of a city council and subsequently as an academic—to its present stance. If we were in the business of acronyms we might describe their original stance—most of their time in Government—as DAFT, or "develop anything for Tescos". That changed in the last period of the Conservative Government, when stewardship of the environment was in the hands of the right hon. Member for Suffolk, Coastal (Mr. Gummer), to TEPID, or "try to engage Parliament in debate". The present stance, which we see this afternoon, can be described as that of a BANANA party, or "build absolutely nothing anywhere near anything".

I imagine that this matter has arisen as a result of the Conservative party's attempts to parochialise the debate, the purpose of which is twofold. First, this seems to be about the only debate that Conservative Members can advance without attempting to grab each other by the throat. Secondly, the Conservative party believes that there is some mileage, probably for local electoral purposes, in attempting to deal with the issue area by area and county by county. That rather overthrows the responsibility of this House which is, as my hon. Friends have said, to look at who needs homes where in the future. Can we throw away the provision that we need responsibly to make over the next 20 to 25 years, to ensure both that people who need homes have homes and that they are built in an orderly fashion and, most important in terms of the current debate, that development takes place in a sustainable fashion—that we do not build all over the countryside, but attempt to develop brown-field sites and within cities and towns where possible. The House has a grave responsibility and, frankly, the Opposition are shirking it and misrepresenting the case for political purposes.

To make that misrepresentation, the Conservative party has had to resort to some strange readings of the figures and the debate. That can be for two reasons—either because Conservative Members do not understand the debate, or because they do, but choose to misrepresent it. I am not sure which one applies, but it seems to be a bit of both.

Let us take the new projections. We have already heard an attempted straight comparison of one projection with the other, when in fact the projections have moved forward over a number of years, so are based on a different time frame. We have heard a suggestion that the figures should be exact, but forecasting is not an exact science. It is impossible to get figures exactly right in a forecast, as the Opposition suggest. It was suggested that because the total numbers have come down, the Government can revise the target upwards. That ignores the strong evidence to the Select Committee, which was known when both the new and the original figures came

[Dr. Alan Whitehead]

out, that there are substantial regional variations in respect of migration, different tenures and, most importantly, the availability of brown-field sites.

Mr. Brake: Does the hon. Gentleman agree that that point is recognised, because 60 per cent. is a national figure—an average that varies according to region?

Dr. Whitehead: That is exactly the point. Within a total target, one must take account of several factors. That means that we must plan properly between regions. In any event, the figure for household growth is not necessarily the same as that for households. If we are serious, we must take account of all those factors rather than adopting the gimcrack, parochial approach of the Tory party.

Brown-field sites in the south of England are in far shorter supply and need much more remediation than in the north of England, which appears to have a substantial supply. That means that we must consider the matter carefully region by region and analyse how to achieve the national target with different approaches in different parts of the country. Simply taking a figure, dividing it by a number for future household growth and using it to up the target misses the point entirely.

Mr. Waterson: I am listening carefully to the hon. Gentleman. Given his view on the figures, does he think that there is any prospect of the Government meeting even their present 60 per cent. target for brown-field development?

Dr. Whitehead: The answer to that relates to the need to plan ahead over a period, as the previous Government demonstrated by failing miserably to meet their targets. To achieve a much higher target we must put policies in place, as the Government have been doing. I believe that that target is eminently achievable by careful analysis region by region and by developing policies that work towards it over time. It cannot be done in the way that the Opposition appear to suggest.

The Opposition made the grand statement that they had raised the target to 66 per cent., as though that would make anything happen. There was even a dispute among Opposition Members about whether their target was 75, 66, 62 or 61 per cent. They changed their target within weeks. They remind me of a bunch of Trotskyist sects declaring the date of the world revolution when they cannot make it happen.

The truth is that although the new housing projections are slightly lower, the crucial element missing from the argument is that the figures for the south have barely gone down at all. The pressure is on in the south of England, where there is a combination of fewer green-field sites and considerable immigration. That should make us realise that the necessary strategy is not fundamentally different for that part of the country. That is precisely set out in PPG3: we should build on brown-field sites where possible.

I caution the House that setting up a register of brown-field sites will not solve the problem. Some brown-field sites are in the deep countryside, such as former mental hospitals and airfields. Building on such sites would lead to unsustainable deep rural communities that would become commuter dormitories. We must consider urban and rural sites and how to combine them with a policy of urban renaissance and sustainability by minimising transport corridors and, wherever possible, adding to existing town and city developments so that their resources and transport facilities can be used. That would develop a sustainable pattern of housing, while providing the necessary number of houses to ensure that the House and the Government will be able to say that we have not mortgaged the future for the sake of a quick fix. That is our real task. We will not achieve it by skating over the figures and drawing easy conclusions.

We cannot join the hon. Member for South-West Devon (Mr. Streeter) in saying that Plymouth council should tear up the sea front and build houses on it. As my hon. Friend the Member for The Wrekin (Mr. Bradley) said, we must do two things in analysing housing, both urban and rural. Urban areas require a denser pattern of housing, but they also need their green lungs. They must be liveable, or we will repeat in future generations the problems of previous ones with cities emptying and people moving to the countryside.

In rural areas, we must ensure that communities remain viable and have affordable housing. If we do not, we will end up with a society of toffs living in rural areas, serviced by people bused out from towns to clean their houses and mend their cars. That is not sustainable either. It is a complex issue that I ask the Conservative party to take seriously. It is not a subject for short-term electoral advantage. It is an honourable, long-term enterprise to get this right for the future of our people. In 20 years, they will curse us if they do not have the housing that they need and if we have not developed it sustainably.

3.27 pm

Mr. John Wilkinson (Ruislip-Northwood): We had a contribution of righteous indignation from my hon. Friend the Member for Tiverton and Honiton (Mrs. Browning) and one of admirable brevity from the hon. Member for Elmet (Mr. Burgon), which I shall use as my model. He cited the efforts of a particularly public-spirited lady in his constituency who had helped preserve the green belt in Thorner. I thought of another equally admirable person—perhaps even more admirable, given the scope of his responsibilities—Mr. Ronald Smith, chairman of the London Green Belt Council, of which I have the honour to be president. Assiduity in addressing highly complex planning issues can achieve successful results.

Notwithstanding the partisan contributions, I hope that we are all in this together. We have a duty and obligation to keep this a green and pleasant land. The pressures on the south-east, to which the hon. Member for Southampton, Test (Dr. Whitehead) referred, are enormous. It is noteworthy that, in the revised projections for 1996 to 2021, the number of households in the south-east is expected to increase by no less than 26 per cent., or 900,000, and in London by 21 per cent., or 600,000. Those pressures are growing all the time and are accentuated, as the hon. Gentleman rightly said, by migration from the north to the south for economic reasons. There is also migration for reasons of social demography, with people gravitating to the south, especially the south coast, to retire. There is inward migration from the influx of refugees and the legitimate immigration of the dependants of immigrants from

overseas. All those factors make the pressures on London and the south-east the greatest. We must pay particular attention to them.

There are some aspects of the Government's policy as outlined in PPG3 of which I must be critical. An emphasis has been placed on transport corridors. In the Stevenage case, that was the justification for gobbling up large tracts of green belt and open countryside for the development of housing. In the south-east, the transport infrastructure needs are so great that the Government's emphasis can have a major impact.

There is the Central Railway project to run freight and passenger trains from the north-west and the midlands along the Chiltern line, across London and to the channel tunnel. If it is constructed, with passenger stations along the line, it could provide an opportunity under the provisions in PPG3 for new housing communities to be established in a particularly sensitive green belt in a corridor beyond the M25. There are plans for a transport exchange associated with the projected road-rail freight facility at Colnbrook and for the Parkway station near the M25 with the Great North Eastern Railway. All around the M25, there are pressures on the countryside and green belt associated with transport facilities.

The Government say in PPG3 that facilities for car parking and the density of housing should be such that more emphasis is placed on public transport than the motor car, so the risk of public transport facilities impinging on housing development to permit more extensive housing in areas that otherwise would be countryside becomes greater all the time.

There is also a predisposition to allow existing communities to expand at the edges, rather than to permit the development of new towns or communities in the countryside. This is all very well. I understand the thinking behind it, although there are exceptions to it, as my hon. Friend the Member for Tiverton and Honiton graphically exposed in the case of the new town in east Devon, but the policy has grave implications for the London area. There could be a tendency to allow development all the way to the M25. We already see development around the M25 and it is but a short step to take it even further into the countryside beyond.

I urge Her Majesty's Government to live up to their rhetoric and pay much more attention to urban renaissance. There is a great deal of talk about it, although how it is to be achieved is not explained. At the same time, there is talk—this is the contradictory aspect—of more infilling, more use of derelict land and more use of compulsory purchase powers, which always gets me worried. Socialist local authorities in London have used those powers in a malign fashion more for social and political engineering than for creating communities in which there is a good balance of open space and housing. If we put all that together, there is a real danger that the urban renaissance envisaged by the Government will not provide the quality of life which they claim is so important in their planning document.

For Londoners, the preservation of metropolitan green belt is of immense importance. No other tract of green belt is more under pressure. I urge the Government to realise that there is green belt not only outside the M25 and around Greater London, but within it—the Harefield ward in my constituency has the greatest amount of green belt in the capital. The green belt contains not only sites of special scientific interest or nature reserves such as Ruislip woods, but other sites: some may be inferior countryside, but they are important to the balance between the town and rural England. They are the green lung on which our communities depend.

3.35 pm

Mr. Nigel Waterson (Eastbourne): This has been a good debate. Some Opposition Members, including Ministers, have made the criticism that this is the fifth such debate that the Opposition have called. I have some bad news for Ministers. There will be more of these debates. We will keep dragging them to the House so that they can explain the fiasco.

Mr. Raynsford: Will the hon. Gentleman give way?

Mr. Waterson: In a minute. I should like to get through my first paragraph or so.

The Government have finally produced draft PPG3 and the revised household projections, but they have dithered and delayed for two years before so doing. That means that we have to look forward to see what the prospects of the Government's policies working are and backwards to see what damage has already been done by their drift and inaction. All that the Minister could do was stagger from meaningless slogan to meaningless slogan.

The way in which the revised household projections have been handled is particularly curious. Only last year, a Select Committee described the previous estimate of 4.4 million as

"the best one there is."

At last September's party conference, the Minister for London and Construction said that all previous estimates of household figures had fallen short of the actual number of households. Until fairly recently, unnamed Ministers were hinting that the figure of 4.4 million was, if anything, on the low side and numbers such as 5 million or even 5.5 million were muttered darkly. Then the new thinking was rushed out at about the same time as PPG3, but without the detailed data which have been promised for later in the year. The hon. Member for Southampton, Test (Dr. Whitehead) made a brave, but doomed, effort to defend the figures.

What of the figures themselves? My hon. Friend the Member for North Wiltshire (Mr. Gray) spoke with his usual authority on the issue. I am sure that the Minister accepts that small variations in underlying assumptions such as interest rates and GDP could make a dramatic difference to the projections. I understand that the figures make no allowance for economic factors. The Minister for London and Construction is looking at me as though I am telling him something new.

We have already heard about the shameful decisions made in Stevenage, West Sussex, Newcastle and Sutton Coldfield. We have heard from my hon. Friend the Member for Tiverton and Honiton (Mrs. Browning) that two new towns are being dropped in the middle of east Devon. Will Ministers now reverse all or some of those decisions? It seems that, if the figures are correct, they were based on outdated information.

We have heard how county structure plans have been forced through on the basis of the old PPG3. The Council for the Protection of Rural England has pointed out that,

[Mr. Waterson]

in the south-east, 800,000 of the 900,000 houses planned between 1991 and 2016 have already been built, or sites have been earmarked for them.

What of the future? As my hon. Friend the Member for West Chelmsford (Mr. Burns) eloquently said, it is a crying shame that the Government did not take this opportunity to increase their target for brown-field development. The revised estimate of 3.8 million homes means that the Government are planning to build 2.3 million homes on previously developed land. Even with the Government's new projections, a 60 per cent. target for new brown-field development would still mean that 1.5 million homes were built on green-field sites. If they meant what they said before, the Government could still build 2.6 million homes on brown-field sites, so that only 1.2 million would need to be placed on land not previously developed. *[Interruption.]* I wish that, instead of keeping up a running commentary on my speech, Ministers would address these genuine problems.

The plain fact is that, even with the reduced household projections, there will be a one-fifth increase in new households in England over 25 years. On the Government's own target, which they are failing—*[Interruption.]*

Mr. Deputy Speaker (Mr. Michael J. Martin): Order. Hon. Members must be quiet. The hon. Gentleman is addressing the House.

Mr. Waterson: On the Government's own target, which—incidentally—they are failing to meet, at least 40 per cent. of new development will be on green-field sites. In his opening speech, the Minister for the Regions, Regeneration and Planning wholly failed to address that point. When his colleague the Under-Secretary winds up the debate, the Government will have a second chance to respond to the points that we have made and to take up the cry from the Opposition and from the hon. Member for Carshalton and Wallington (Mr. Brake).

The chairman of Countryside Properties has claimed that 40 per cent. of household growth will take place in the south-east, which has only 11 per cent. of the brown-field sites—a point made powerfully by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson). It is estimated that, during the past five years, 300,000 acres of meadows and grassland have disappeared—an area roughly the size of Bedfordshire—yet, at any one time, about 750,000 homes lie empty in England and Wales.

PPG3 sets much store by urban extensions. Will the existing infrastructure be able to cope? Will not some of those developments, designed to reduce green-field development, actually encroach on the green belt—a point made powerfully in an intervention by my hon. Friend the Member for South Cambridgeshire (Mr. Lansley). After all, the Government have already proved by their actions that they regard the green belt as a pretty elastic concept.

Substantial costs can be inherent in brown-field sites. Who will bear them? Who will spend money on testing the viability of sites, dealing with such issues as contamination? The Government will not do so—why should developers? Have local authorities the money to do so? The Local Government Association has already pointed out that an extra burden will be imposed on planning authorities resulting from the sequential approach, and that councils will have to "jump through hoops" to show that a particular proposal is unsustainable. However, the household projections appear to assume that the Government's much-vaunted policy for urban renaissance will fail, and that the exodus from our cities will continue. I should like the Minister to deal with that point specifically. Will he also confirm that his projections only show migration 15 years ahead?

Finally, where does social housing fit into that agenda? We heard about that from the hon. Members for Elmet (Mr. Burgon) and for The Wrekin (Mr. Bradley). The Secretary of State told *Housing Today* that he did not know what proportion of the new households were likely to need social housing. He lamely said:

"That's an area of housing policy that depends on a great deal of policies that we are currently looking at."

We all know that the right hon. Gentleman has a way with words. No doubt he had in mind the current review of housing benefit, which is causing such concern—especially for housing associations and those who provide them with private finance. The Under-Secretary's views may be no more reliable, because the Environment, Transport and Regional Affairs Committee referred to his evidence on the provision of social housing as "vacuous and disingenuous".

Shelter points out that the new projections do not take account of existing need. The figures for the south-east seem to mask actual cuts in social housing. As we all know, there is already a serious regional mismatch in social housing; internal migration will only make a bad situation worse. The latest projections show that the drift from north to south is accelerating. The National Housing Federation estimates that 95,000 affordable homes will be needed each year between 2001 and 2016. The federation contends that there is an existing backlog of 600,000 homes and that 40 per cent. of the new households will be on low incomes—that is the key point. What price social exclusion now?

It is difficult to avoid the sad fact that, in planning and housing matters, far from having joined-up government, we have a Government who can only be described as dysfunctional. I ask the House to support the motion.

3.44 pm

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Mr. Nick Raynsford): The danger in any debate is that it may generate more heat than light. Some of that heat may come from the perfectly legitimate desire of hon. Members to pursue issues on behalf of their constituents. Sadly, however, some heat comes in the form of hot air generated solely to make party political points. There has been rather too much of that today from Opposition Members, especially those on the Front Bench. There has not been much informed debate.

On a subject as important as the future of housing and the shape of our towns, cities and countryside in the future, it is important that we remain focused on the real issues. That is what the Government are trying to do. At the start of the debate, my right hon. Friend the Minister for the Regions, Regeneration and Planning reiterated our firm policies on housing and the green belt. He described our achievements to date in addressing the challenges posed by household growth. Hon. Members have raised

points in this debate to which I shall try to respond, but I also want to look ahead to the further action that we have in hand.

Most important is carrying forward the new planning policy guidance on housing—PPG3—which was issued recently. I am pleased to tell the House that it was broadly welcomed by everyone who has thought seriously about how we can reconcile many of the difficult issues that must be reconciled if we are to provide for the housing needs of our country, while protecting and respecting our countryside. At present, PPG3 is out for consultation. It sets out how we should try to determine the location of new housing, and the priority that should be given to using existing developed sites and existing housing stock in urban areas—encouraging recycling of previously developed land. It underlines very clearly our desire to ensure that encroachment on green-field sites is kept to a minimum.

That is reinforced by our national target, which is that 60 per cent. of new housing is to be on previously developed land, or provided through conversions, over the next 10 years. We hope that it will be possible to better that target both nationally and, where possible, regionally. In contrast to the Opposition, we do not pluck figures out of thin air and hope to be able to deliver them. When we set targets, we aim to deliver them. When we give pledges, or manifesto commitments, we deliver them. That is the difference between Labour and the Conservatives and that is why Labour is the party of government and the Conservatives are the party of opposition.

Mr. Gray: Perhaps this would be a good opportunity for the Minister to tell us why he told *Planning Week* that a 60 per cent. target would be a "recipe for disaster" and that there was "absolutely no doubt" that the only realistic way to meet the housing figure was to develop new towns and settlements. Why did he say that to *Planning Week* in 1997? Apparently, he did not believe it.

Mr. Raynsford: No, I do believe it. The hon. Gentleman was obviously not listening during the previous debate on this subject two months ago. At that time, I responded to an intervention from one of his hon. Friends by explaining that that figure was plucked out of thin air by the then Secretary of State for the Environment, at the very tail end of a Conservative Government who were limping towards defeat and were trying to pull something out of the hat. We did not believe that it was right or responsible for a Government who had devastated the countryside by allowing development to offer death-bed repentances by plucking out of thin air figures that had no justification. We have carried out a serious analysis of what is feasible. We did not commit ourselves to the 60 per cent. target until we were sure that it could be delivered. That is the difference between the Labour Government and the Conservative Opposition.

Another key issue, to which the Opposition should listen, is the establishment of the new national land use database. Believe it or not, until now—despite the 18 years during which the Conservatives were in power—there has been no consistent system for recording and making use of information about land in urban areas that might be available for redevelopment. The Conservatives talked about it, but they did nothing about it. The Labour Government—*[Interruption.]*—I give way to my hon. Friend the Member for Newark (Mrs. Jones).

Hon. Members: Hear, hear.

Mrs. Fiona Jones (Newark): On behalf of my constituents, I take this opportunity to say that I welcome the Government's proposals. I know that all my constituents welcome the fact that the Government will build on brown-field sites instead of on green-field sites.

Mr. Raynsford: I welcome my hon. Friend's comment and, above all, I welcome her back to the Chamber. I am delighted that, at the first opportunity, she is back here speaking for her constituents.

I was explaining that, in contrast to the previous Government, the Labour Government were acting to identify the scope for urban regeneration. The first phase of the new national land use database will come on stream in the very near future. I expect that to be a most important tool for local authorities. In the longer term, the Government intend to expand and maintain the database to cover all land and uses of land, and for it to be publicly accessible.

However much new development is put into existing towns and cities, consistent with sustainable development objectives and the aim of making our urban areas better places to live, it is a plain fact that some new development must be on green-field sites. Indeed, some green-field development is essential to breathe new life into certain communities, especially in rural areas. My hon. Friend the Member for The Wrekin (Mr. Bradley) was right to stress the importance of appropriate housing, especially social housing developments, in certain rural communities which will die without that provision. We have to get the balance right and assist opportunities for sustainable development and for meeting social and economic needs in rural communities. It is vital that new development is of the right type, in the right place and on the right scale, which is why we place such emphasis on developments being sustainable.

Mrs. Browning: Will the Minister give way?

Mr. Raynsford: No. The hon. Lady spoke in the debate and I dealt with her points earlier.

Getting development in the right location lies at the heart of planning policy for transport. In the next few months, we shall consult on a revised draft of PPG13. That will complement the objectives, set out in our White Paper on the future of transport, of reducing congestion and pollution and promoting an approach that locates development where it is accessible by a choice of means, including public transport, so reducing reliance on the private car.

There is a range of options for meeting development needs that cannot be met within existing urban areas. One of the most sustainable patterns of such new development may be in urban extensions, especially where they would take advantage of the existing under-utilised infrastructure, especially transport and other vital services. That inevitably creates a tension. That tension was considered, but not resolved, by the Environment, Transport and Regional Affairs Committee. In its report,

[Mr. Raynsford]

the Committee endorsed the preference for urban extensions, but, in a separate recommendation, sought to maintain inner green belt boundaries unchanged.

There is a real tension in that respect, as the hon. Member for South Cambridgeshire (Mr. Lansley) emphasised. We have tried to address that tension in PPG3 by making it clear that, in certain cases where it is desirable in terms of urban extension and sustainability, there may be a case for reconsidering green-belt boundaries. However, that must be the exception to the rule. It must not be undertaken for any other reason and the presumption must normally be against development in the green belt. The Government are trying to be responsible in facing up to the difficult issues thrown up by the development challenge, especially in areas such as Cambridge and Cambridgeshire where, for good economic reasons, there is great pressure to meet the needs of the burgeoning economy and to provide more accommodation for the people who work in the area.

Mr. Lansley: I do not invite the Minister to comment on the particular circumstances of Cambridge, but ask him to note that we are not talking exclusively about the sustainability of the area or the availability of a public transport corridor. The simple fact is that the Cambridge green belt is one of those green belts that are designed to protect the unique setting of an historic city. It would be wrong to disregard that important aspect of green belts.

Mr. Raynsford: I accept entirely the hon. Gentleman's point. I should point out that the alternative promoted by some, which is to leap-frog the green belt and develop new settlements beyond it, might have other disadvantages, such as generation of increased traffic. That is why I stress that the issue is a difficult one that does not lend itself to glib answers. It must be considered seriously and rigorously and we must be conscious of the whole range of issues, including the protection of the countryside and sustainability, when seeking solutions. The hon. Gentleman will understand why I cannot say more about the specific case that he raises.

Mr. Waterson: I agree that the issue is important, but does the Minister accept that, by making an exception of one difficult case, he sets a planning precedent that might be used in respect of other encroachments in the green belt?

Mr. Raynsford: I am highly conscious of the fact that any message to the effect that the Government are relaxing green belt policy would be disastrous, and we are sending no such message. We have no intention of encouraging inappropriate development in the green belt, and we certainly do not wish to emulate the previous Government's record. In their last year in office, the Conservative Government released for development more than 700 hectares of green belt; and released on appeal—on the Secretary of State's own decision—500 further hectares of green belt.

We have a responsibility both to those who are inadequately housed and to the next generation, many of whom have already been born, to provide the framework to enable an adequate supply of good-quality housing; but housing is not an isolated human need. The people who live in those houses need access to a range of employment opportunities, good-quality services and other facilities. We want new development to be well designed and to accord in its own right with sustainable development principles, such as accessibility by a choice of means of transport which allow less reliance on the motor car.

The hon. Member for Carshalton and Wallington (Mr. Brake) made an entirely unfounded allegation that the Government were not serious about urban design. Nothing could be further from the truth: we have laid enormous emphasis on urban design, not only through the guidance that we have issued or the speeches that we have made, but through practical action. Measures such as the designation of new millennium villages, as my hon. Friend the Member for Elmet (Mr. Burgon) described, are part of our positive efforts to encourage and promote the highest quality design in new developments, so as to demonstrate what can be done. We also have a responsibility to preserve the countryside, and we are determined to maintain our efforts in that respect in the years ahead.

The hon. Member for West Chelmsford (Mr. Burns) seemed wholly confused about the figures, as did several other hon. Members. The Opposition motion reveals that confusion by referring to the Government's

"failure to meet even their own targets for new building on brownfield sites".

The most recent figures available on development on green-field sites compared with brown-field sites relate to 1996. Anyone with the slightest political knowledge will know that that was not a year in which the Labour party was in office; therefore, the record is that of the previous Government. I am surprised that the hon. Gentleman made such an elementary mistake.

The hon. Member for Tiverton and Honiton (Mrs. Browning) referred to the Government bullying Devon. As I pointed out, it is some bullying when the Government allow the county council 7,200 fewer homes than the previous Government, of whom she was a member, wanted to impose on it.

Mrs. Browning: Will the Minister give way?

Mr. Raynsford: No, I will not give way to the hon. Lady.

The hon. Member for Carshalton and Wallington asked why, if the projected figure was now 3.8 million rather than 4.4 million, the 60 per cent. target could not be increased to 70 per cent. That implies a rather mechanistic view, reminiscent of predict and provide. We do not go straight from projections to household figures—that would be predict and provide. Instead, we intend to interpret the figures carefully and allow the regional authorities to do so as well.

I repeat: we want to do the best that can be achieved, and the targets that we have set are demanding. The 60 per cent. target will be difficult to deliver: the previous Government did not get anywhere close to it—their record was abominable—but we intend to get as close as possible. We shall be prudent and set targets that we believe can be reached. We are determined to deliver on those targets, and we shall try to exceed them if possible.

My hon. Friend the Member for Southampton, Test (Dr. Whitehead) revealed why he is such a valued member of the Environment, Transport and Regional

Affairs Committee when he identified exactly the kinds of principles that are important in achieving sustainable development objectives. The hon. Member for Ruislip-Northwood (Mr. Wilkinson), who has done much to protect the green belt—and many hon. Members on both sides of the House respect him for that—seemed, surprisingly, not to be keen on transport corridors. I understand his concerns, but I put it to him that there is simply no alternative if we are to ensure sustainable development without allowing sprawl into the countryside, which would be a serious mistake.

This debate has not done the official Opposition any credit. They are currently in apologise-and-move-on mode, but today they did not even reach the point of apologising. I put it to the Conservatives that, until they apologise for their appalling record in government, they will have no chance of being anything other than the Trotskyist sect of which my hon. Friend the Member for Test said they were reminiscent. What a contribution!

Question put, That the original words stand part of the Question:—

The House divided: Ayes 113, Noes 288.

Division No. 158] **[4 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Butterfill, John
Cash, William
Chope, Christopher
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Donaldson, Jeffrey
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Faber, David
Fallon, Michael
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Madel, Sir David
Major, Rt Hon John
Malins, Humfrey
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robathan, Andrew
Roe, Mrs Marion *(Broxbourne)*
Rowe, Andrew *(Faversham)*
Ruffley, David
St Aubyn, Nick
Shepherd, Richard
Simpson, Keith *(Mid-Norfolk)*
Smyth, Rev Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Steen, Anthony
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim

Tellers for the Ayes:
Mr. Oliver Heald and
Mr. Tim Collins.

NOES

Abbott, Ms Diane
Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Ashton, Joe
Atkins, Charlotte
Austin, John
Barnes, Harry
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Benton, Joe
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom
Breed, Colin
Burgon, Colin
Butler, Mrs Christine
Byers, Rt Hon Stephen
Cable, Dr Vincent
Cabom, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Charles *(Norwich S)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Dowd, Jim
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Field, Rt Hon Frank
Fitzpatrick, Jim
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Galloway, George
Gapes, Mike
Gardiner, Barry
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen

Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Jones, Barry *(Alyn & Deeside)*
Jones, Mrs Fiona *(Newark)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Khabra, Piara S
Kidney, David
Kilfoyle, Peter
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kirkwood, Archy
Kumar, Dr Ashok
Lawrence, Ms Jackie
Laxton, Bob
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lock, David
Love, Andrew
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall–Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Michie, Bill *(Sheffld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moran, Ms Margaret
Morgan, Ms Julie *(Cardiff N)*
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Rt Hon Paul *(Torfaen)*
Naysmith, Dr Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Eddie
O'Neill, Martin
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Radice, Giles
Rammell, Bill
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Short, Rt Hon Clare
Simpson, Alan *(Nottingham S)*
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Steinberg, Gerry
Stevenson, George
Stinchcombe, Paul
Stoate, Dr Howard
Stott, Roger
Strang, Rt Hon Dr Gavin
Straw, Rt Hon Jack
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Matthew *(Truro)*
Temple–Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Tipping, Paddy
Tonge, Dr Jenny
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul
Vaz, Keith
Ward, Ms Claire
Wareing, Robert N
Whitehead, Dr Alan
Williams, Alan W *(E Carmarthen)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wise, Audrey
Wood, Mike
Worthington, Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Kevin Hughes and
Mr. Clive Betts.

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the Government's continued commitment to protecting the countryside and promoting an urban renaissance, and maintaining tight planning controls over the Green Belt and other designated green spaces; recognises that the Government's decentralised and integrated policy approach is helping to achieve more sustainable and equitable patterns of urban and rural development; welcomes the Government's commitment to increase the proportion of new housing on previously-developed land in urban areas, smaller towns and villages from 40 per cent in the mid-1980s to 60 per cent; recognises the benefits of replacing the previous "predict and provide" approach to the issue of household growth with a more flexible "plan, monitor and manage" system; and believes that the Government's inter-linked policies for urban regeneration and protection of the countryside will enhance the quality of life for people in both rural and urban areas.

Industry and Employment

Mr. Deputy Speaker (Mr. Michael J. Martin): We now come to the next debate. *[Interruption.]* Order. Hon. Members should be quiet in the Chamber, and the House must come to order. Madam Speaker has selected the amendment in the name of the Prime Minister.

4.13 pm

Mr. John Redwood (Wokingham): I beg to move,

That this House regrets the way the Government is making it too dear to make things in Britain; condemns the tax increases, increases in regulation and the poor climate for industry brought about by present policies; highlights the factory closures and 250,000 forecast job losses feared by the trade unions; condemns the New Deal for young people, which has failed to reduce youth unemployment, has disappointed employers and requires radical change if it is to stop wasting billions of pounds of taxpayers' money; and recommends a change of policy to avoid a prolonged and damaging industrial collapse and consequent rising industrial unemployment.

The House will be aware that I have declared my business interests in the Register of Members' Interests. I am not speaking on behalf of those businesses or at their request; I speak on behalf of all British business and industry.

In our motion, we say that we regret the way in which the Government are making it too dear to make things in Britain. We condemn the tax increases, the increases in regulation and the poor climate for industry brought about by the Government's policies. We highlight the factory closures and the 250,000 jobs that the trade unions forecast will be lost from industry in the months ahead. We condemn the new deal for young people, which has failed to reduce youth unemployment. Indeed, that figure is now falling less quickly than it was under the successful Conservative policies that the Government ditched. The scheme now needs radical change to avoid more damage being done and more money being wasted. I ask the House to forbear on the new deal because my hon. Friend the Member for Ashford (Mr. Green), who will wind up the debate, will put the full case on the new deal.

I want to do justice to the parlous plight that industry faces. The debate is particularly timely because I have learned grave news from the north-east which the House should know and discuss as it breaks. We have heard this afternoon that Siemens, which so recently closed a microchip plant in the north-east, is about to open a new microchip facility near Paris. I hope that the Government will now apologise for misleading the House, the constituents of the Secretary of State for Trade and Industry and those of the Prime Minister.

When the closure was announced, the Government were categoric and said, "The work is not going elsewhere because there are no types of microchip that can be made in the north-east that we can secure. The market is saturated. It is a world problem; it is nothing to do with Britain." Already this afternoon, trade unionists, workers and people who have been sacked from Siemens in the north-east have gone on record saying that they have the building, the skills, the people and the wish to succeed, and they would like the chance to make the microchips that will be made near Paris. They cannot do that because they have a Labour Government, who have priced them out of the market and whose policies have done terrible damage to the Secretary of State's constituents. Day after day, week after week, more factories close and more jobs are lost. Now that problem is in the Secretary of State's backyard, and we have caught the Government misleading the House and the public.

Mr. Alan Campbell (Tynemouth): Siemens is in my constituency. Is the right hon. Gentleman aware that the company decided, last summer, to withdraw from north Tyneside because of its failure to develop a joint venture, as most microchip plants around the world have done, to guarantee a market for that product? Is the right hon. Gentleman further aware that, in a statement last summer, Siemens explained that its decision to pull out of north Tyneside had nothing to do with the Government's policies but was due to the collapse of the microchip market in the far east, which meant that the joint venture destined to come to north Tyneside went to the far east?

Mr. Redwood: What a wriggle! However, the hon. Gentleman has confirmed my case. He says that a joint venture went to the far east, and I was saying that it is too dear to make things in Britain because of the Government's policies, so companies are going elsewhere. We now learn that an important new facility will be located in Paris, which is much closer to home and is an area with which we ought to be able to compete. Why cannot we compete with Paris? Because the Government's policies have priced us out of the market. Their taxes, their regulations, their exchange rate and their interest rate are all that we forecast, and, unfortunately, our forecasts have come true. I do not want British industry to be destroyed, but I said that it would happen, and it is happening.

The Secretary of State for Trade and Industry (Mr. Stephen Byers): Let us have some facts, rather than the prejudice on which the right hon. Gentleman's statements have been based. Will he confirm that Siemens's decision was to set up a joint venture with a company that is already located just outside Paris? Will he confirm the point made by my hon. Friend the Member for Tynemouth (Mr. Campbell), in whose constituency Siemens is based, that the company was unable to find a joint venture in north Tyneside for the simple reason that potential partnerships were already located on the continent?

Will the right hon. Gentleman now start to address the real issues of the Siemens case, rather than relying on prejudice? Prejudice will not help people in the north-east of England and, more importantly, it says more about his failure to lead for the Conservative party on trade and industry matters than anything else.

Mr. Redwood: That last criticism was wide of the mark and revealed how desperate the Secretary of State has become. The people whom he represents, the constituents of the hon. Member for Tynemouth (Mr. Campbell) and I know that there is a new, purpose-built facility sitting empty in the north-east of England. They know that Siemens was committed to that region because of Conservative policies and is now pulling out under Labour policies. They know that Siemens had a Government grant, which it welcomed, but it does not now think that the grant is sufficient to make up for the cost burden in Britain. They know that if, Siemens wanted to launch a joint venture, it could be done, because the work force, the factory and the

[Mr. Redwood]

Government grant are available—all the conditions needed, except for an exchange rate, an interest rate and a set of Government policies that make sense.

The Secretary of State must understand that a competitive devaluation is under way from the continent of Europe. We are getting the thin end of the wedge on that, and the Government's policies have made Britain the centre for closure, and France and Germany the centre for those new developments.

Mr. Paul Keetch (Hereford): Will the right hon. Gentleman give way?

Mr. Redwood: I willingly give way to the rest of the Government.

Mr. Keetch: Liberal Democrat Members are deeply sorry that Siemens is going. In the right hon. Gentleman's perception, what is the reason that Siemens is relocating in France instead of coming to Britain? Is it the fact that France is joining economic and monetary union or the fact that France has high social costs, as he would perceive them?

Mr. Redwood: I have explained that the competitive devaluation of the euro—therefore, France's membership of EMU—allied to the high-cost policies being followed by the British Government, obviously lie behind the switch. The numbers do not add up in the north-east, thanks to the Government. They do add up, relatively, in Paris because of the change of exchange rate and the extra costs in Britain.

We have said that, at some point, Britain would have imported enough of the high costs from the continent to make such a switch all too likely. We have now reached that point.

Mr. John Bercow (Buckingham): Does my right hon. Friend agree that the news that he has just relayed to the House is especially grave in the light of the fact that there have been 7,500 reported job losses in the north and north-east of England since July 1998, and that, in the first three months of this year, there has been a 29 per cent. increase in business bankruptcies in the north-east—the area represented by the Secretary of State for Trade and Industry?

Mr. Redwood: I am grateful to my hon. Friend. I was hoping to mention later the way in which the disaster has been spreading throughout the north-east region. Siemens is just the biggest and best-known closure, but there have been many others.

Mr. Ian Bruce (South Dorset): I do not know whether my right hon. Friend has yet seen the May edition of "CBI News"—which contains a smiling picture of the Secretary of State for Trade and Industry. It says that costs of £4.6 billion extra have been imposed on industry simply as a result of the working time directive and the minimum wage, before we get into all the other legislation that takes effect from 1 April. That figure of £4.6 billion is the Department of Trade and Industry's own figure.

Mr. Redwood: My hon. Friend and many of my Back-Bench colleagues have consistently warned that even well-intentioned legislation can do grave damage. I am sure that the Government meant well by the minimum wage legislation but, unfortunately, it is not much good having wage protection if one loses one's job as a result. That is happening to too many workers.

Mr. Bill Rammell (Harlow): What possible logical consistency is there between the right hon. Gentleman's assertion that companies are transferring to France at the moment because of additional on-costs, and the argument that he usually uses—that we should resist further integration within the European Union because of other countries' uncompetitive situation with regard to social on-costs?

Mr. Redwood: Those are entirely consistent propositions. I am saying that, if we had stayed with the level of social on-costs under the Conservatives and the level of exchange rate that we then had, we would be more competitive. We were very competitive then. Investment came here; it did not go to the continent. During the past two years, we have warned that, if the pound were allowed to go too high and the euro too low, and if too many of the additional costs that continental countries already enjoyed were imported into this country, a point might come at which a switch-over would begin. We are now witnessing the start of that switch-over.

If the Government simply heap on more costs, more regulations and more taxes, the switch will get worse. There will be more closures. If they allow the pound to rise further and keep a high pound and high interest rates, more factories will close. More companies will move to the continent. That is the way it works.

The Secretary of State says that he believes in putting wealth creation before wealth distribution. I should like to see some evidence of that. He says that he has understood the free enterprise revolution launched successfully by the Conservatives in the 1980s, but he does not seem to have a clue how markets work, and he and his right hon. Friends seem to be amazed when Siemens pulls out of this country and sets up in Paris.

Indeed, I have the words of the previous Secretary of State, the right hon. Member for Hartlepool (Mr. Mandelson), who, when I said that I feared that the closure of the Siemens plant on north Tyneside meant that business was being diverted elsewhere, said that it had nothing to do with conditions in Britain. He said that the Siemens management had cited the collapse of the world market in semiconductor products. He said that that was the only reason for the closure, and that one would not see that work, or work like it, being done elsewhere; the work had gone completely. Now, a different type of chip, which can be made in Britain, will be made near Paris, when the Secretary of State's local work force would love to have the chance to do so.

If the Secretary of State will not take my views seriously, I hope that he will take seriously the views that the local Amalgamated Engineering and Electrical Union official expressed when he said today:

"this is an insult to the people of Tyneside"

and that Siemens should return and use the superb factory that it has. I hope that the Secretary of State will meet him and his friends and colleagues and try to do something about it at this late stage. There must be a change of policy, which might start to change the mind of industry about Britain.

Our charge, this afternoon, is that the Government do not care about industry. They say that they do, but everything that they do makes industry's plight worse. They put interest rates up too high, making it too dear to borrow money to expand a business. They put the pound up and kept it up, making it too dear to export. They passed huge increases in business taxes, making it too dear to make things in Britain, taking money out of business that could have been used to create new jobs. They have heaped regulation on top of regulation, making it too dear to employ people in some places in Britain.

Mr. Christopher Leslie (Shipley): Such as?

Mr. Redwood: Hon. Members ask, "Such as?" The minimum wage, the working time directive and employment relations legislation are all increasing costs.

Mr. Barry Sheerman (Huddersfield): We have heard many accusations this afternoon, some of them totally unbelievable. I would love to see the right hon. Gentleman's diary, so that I could check which companies he talks to, because when I meet representatives of the leading companies, they all tell me that this is still the best country to invest in and to do business in, and that they like the environment that the Government have created.

The right hon. Gentleman is very slippery about many of these things, but will he answer one question? If the Conservatives ever returned to power, would they abolish the minimum wage?

Mr. Redwood: I have endlessly stated a very clear position. We oppose the national minimum wage. We urged the Government not to do it. We will set out the measures that we intend to repeal in the next Parliament when we launch our manifesto. I have also made it crystal clear that there are several ways of dealing with the damage to jobs done by the minimum wage. It could be repealed, or it could be frozen—one could limit the damage by not increasing it, instead of destroying more jobs.

What are the Government going to do about the minimum wage? Will they increase it by wages, by prices or not at all? Will they increase it annually, semi-annually or biannually?

Mr. Byers: Does the shadow Trade Secretary disagree with the shadow Chancellor that a Tory Government would put the minimum wage on hold?

Mr. Redwood: We have stated exactly the same policy—that we shall announce our clear intentions for the next Parliament on the eve of that Parliament, when we are fighting a general election about it. Both the shadow Chancellor and I opposed the introduction of the minimum wage and warned that it would do damage. We take no joy in seeing the damage that it is doing. We take no joy in seeing the fiddles that are limiting the damage—there are now lots of ways round it, because the legislation was so badly drafted. However, we must return to the attack today, when we see industry in chaos and crisis under the Government.

Judy Mallaber (Amber Valley): I believe that the right hon. Gentleman said that, if the Opposition ever got back into government, they would either repeal or freeze the minimum wage. Can he confirm that he is considering those two options only?

Mr. Redwood: No. I am considering a range of options, but I want to take the advice of the policy group that I am forming, and I wish to hear the views of business. Having listened, I will announce our policy at the time of the publication of the manifesto. However, we are in no doubt that the national minimum wage is damaging, and we strongly oppose it. We urge the Government to do something, even at this late stage, about the damage that they are creating.

Mr. Owen Paterson (North Shropshire): Labour Members do not seem to have a clue as to the damage that the minimum wage is doing to small rural businesses. I am in correspondence with a small accountant in the town of Ellesmere, who handles the accounts of small businesses, who has specifically asked me take up the problems that the minimum wage is bringing to those businesses, which cannot pass on the extra costs to their customers and will simply lay off their work force.

Mr. Redwood: I am grateful to my hon. Friend for his heartfelt advice, which reflects the advice that we are getting from all round the country through my hon. Friends and direct from British business.

When the Government are challenged about the factory closures that happen day after day, all that we are offered is a new spin. The hon. Member for Huddersfield (Mr. Sheerman) asked me which companies I talk to. Is he aware of the closures that have been announced by the Co-op, by Siemens and by Rover-BMW? Textiles, steel or cars—the story is the same in every industry: either mass sackings or complete factory closures.

Mr. Geraint Davies (Croydon, Central): Following on from the points that have been made about setting exchange rates and interest rates, can the right hon. Gentleman confirm that the official position of Her Majesty's Opposition is that the independence of the Bank of England will be abolished, as will the new deal? What is the probability of those policies changing next week in the light of a new statement by the Leader of the Opposition or his deputy?

Mr. Redwood: Labour Members really are rattled, if that is the best that they can do. Conservative Members have opposed each of the policies identified by the hon. Gentleman. We are the Opposition; it is our duty to say either that we can live with a policy, and perhaps be quiet about it, or that a policy is outrageous and we oppose it tooth and nail. We have opposed the policies that have been referred to today. That is our official position, and we think that the country would be better off without the minimum wage and without an independent central bank in its current shape.

Mr. Sheerman: On a point of order, Mr. Deputy Speaker. Labour Members appreciate that it is the job of Her Majesty's Opposition to oppose. If this is such a serious matter, will there be a better vote at 7 o'clock than there was at 4 o'clock, when—

Mr. Deputy Speaker: The hon. Gentleman knows that that is not a point of order; it is not a matter for the Chair.

Mr. Redwood: That point of order was particularly bizarre, because I have been giving way to Labour

[Mr. Redwood]

Members and would have been happy to take that point of debate as well. Some Conservative Members will be out meeting the electors; important elections are coming up and we want to maximise the vote against the Government because of the damage that they are clearly doing to jobs and to business. On each of those policy areas, we will give our view nearer the time of the next Parliament. Our clear view now is, "Don't do it, or rescind it."

Mr. John Healey (Wentworth): Is the right hon. Gentleman aware of how sick it makes people in such areas as South Yorkshire to hear him make accusations about Government policies causing job losses? Is he aware that 12,500 people were employed in metalworking manufacturing in Rotherham in 1979? After two recessions, and 15 years later, fewer than one in five of those jobs were left. There were 12 working pits in Rotherham in 1981. Now there is one. Is he aware that unemployment in Rotherham peaked at 23.5 per cent. when the previous Administration were in office?

Mr. Redwood: The fact that people lost their jobs in a recession under the Conservatives does not mean that it is right for people to lose their jobs today under a Labour Government. The Government came to power promising something better. We have already agreed that the loss of jobs in the recession that took place under the Conservatives was a great tragedy; people wanted something better, but they are not getting it—they are getting something worse.

Instead of jobs in older industries going, jobs in new industries are going. Jobs in a state-of-the-art microchip plant are going, only to spring up, not so far away, in Paris, and the Minister concerned says that that is nothing to do with Britain's competitiveness against the continent, but everything to do with the world slump. I call that misleading the public and I want an apology.

Mr. Rammell: The right hon. Gentleman recites a litany of alleged crimes, but has he read any of the articles in the informed financial press this week, all of which suggest that, for the first time in a generation and within the downturn of an economic cycle, this country will avoid going into recession? Can he explain why that is happening?

Mr. Redwood: The American economy is performing extremely well, which is helping some service sectors and, in particular, the economy of the south of Britain. I am grateful that that is happening. If the hon. Gentleman had been listening to the debates over the past two years, he would have known that, on behalf of the Opposition, I have consistently predicted a sharp and unpleasant industrial recession, but have never predicted a general recession.

I thought that we would have a two-tier economy; I thought that conditions would be all right for those who mend software, but not for those who make textiles. Unfortunately, we are seeing exactly that pattern. Terrible damage is being done in the industrial heartlands, which tend to be represented by Labour Members, but areas such as my own, which are much more dependent on hi-tech businesses, are not doing so badly. Even in my constituency, however, there have been two very unpleasant engineering closures in the past month.

Kali Mountford (Colne Valley): The right hon. Gentleman has referred to textiles. Is he ready to apologise for the loss of tens of thousands of jobs in west Yorkshire under his Administration? Constituencies that were entirely dependent on textiles now have not one textile job left.

Mr. Redwood: We have dealt with those matters endlessly during our debates and I see no need to repeat all that I have said in the past. We are moving on and drawing attention to the present and to the future. I can tell the hon. Lady that that is what the electorate are interested in. They want to know what the Government are going to do, how their jobs will be secured or improved today and what will happen when they lose their jobs. They are no longer raking over the coals of 10 years ago; they want to know about the present and the future.

All that we ever get from the Government is new spin. Our charge is that fine words are no substitute for right actions from a Government. Business cannot sell more abroad because the Government say, "The pound is fine for you." Business cannot employ more people because the Government say that they believe in deregulation, but they have to achieve it, otherwise the jobs will not be available.

Industry cannot make a profit because the Government say that they believe in lower taxes, but they have to implement lower taxes so that there is more profit to keep and spend on other things. The bottom line is that most companies are under pressure from the Government's actions, and no amount of fine words can put that right. Those in government have to will the means as well as will the ends.

We have a Government of self-appointed saints and spinners. There is no public hint of self-doubt, and no suggestion that they might be wrong and that industry might be right. Industry has been warning for months that it is too difficult to make things in Britain. Why will the Government not listen and do something about that?

The previous Secretary of State, the right hon. Member for Hartlepool, did nothing to help industry; I see that he is so uninterested in it that he has not come to listen to the debate. He lived in a state of original spin. The present Secretary of State has done nothing to help industry either, but he lives in a state of unoriginal spin. Most of his spin is inherited from his predecessor.

Mr. Bercow: Is my right hon. Friend aware that the Secretary of State admitted to me last week, in front of the Select Committee on Trade and Industry, that the Government had not "got it right" on regulation? In the light of that, does my right hon. Friend agree that it is an absolute outrage that, only this week, the Parliamentary Secretary, Cabinet Office, told me in a parliamentary answer that the Government do not publish, and do not even intend to publish, an annual statement of the costs of regulation on British business? Does that not show how little the Government care about the problems they cause?

Mr. Deputy Speaker: Order. I appeal to Back Benchers to make interventions brief. The hon. Member

for Buckingham (Mr. Bercow) is not the only Member who is guilty; other interventions have been far too long. Interventions must be brief, and they have not been brief by my standards.

Mr. Redwood: As always, I am happy to take interventions. Many hon. Members would like to speak in the debate, and I have other remarks to make. Perhaps hon. Members will bear that in mind when they try to intervene.

I am grateful to my hon. Friend the Member for Buckingham (Mr. Bercow) and pay tribute on the Floor of the House to the Bill that he introduced to the House earlier this week. His Bill tries to do something about the problems of manufacturing and other industries and I recommend it to the Secretary of State.

The Secretary of State says that he wants a new consensus and believes in parties of good will helping enterprise. He says that he is a deregulator; my hon. Friend has done the work for him by giving him the very Bill that would solve some of his problems. I look forward to the Secretary of State graciously accepting it. I should be happy for him to amend it—I am sure that it could be improved—and we would give it a fair wind. I would not bring the Conservative army in to try to vote it down; I would come to the House to praise it. [*Laughter.*] Hon. Members who laugh at the idea of the Tory army's voting things down should remember that they lost two votes on a crucial Bill on the fair conduct of referendums not so many days ago. We look forward to doing the same when the need and the opportunity arise.

I warn the Secretary of State, who knows that his Government have lost two votes on a crucial issue, that the mood of business is turning against the Government. When the Government say that they care about industry, industrialists ask why, in that case, they are being crippled by the high level of the pound. When the Government say that they believe in deregulation, business asks why, in that case, the Government have introduced the minimum wage, the social chapter, the 48-hour working week and many new regulatory bodies. When the Government say that they are keeping taxes down, and occasionally cutting tax rates, business points out that the cost of taxation has risen massively. That is what matters—how much business is actually paying, rather than one or two particular rates of tax in special cases.

When the Government say that they want more savings and investment, the Opposition ask why the Government singled out pensions for penal taxation, and why the savings rate is plummeting under the current regime. When the Government say that more jobs are being created, all those who have recently been thrown out of their industrial jobs ask whether the Government have noticed that, and whether they care. When the Government say that they have now rescued Rover, we ask whose policies undermined it in the first place. In the last year of Conservative government, BMW came here and bought Rover. It was profitable, and BMW said that it was going ahead with a major investment programme. Under Labour, the losses built up and the thing turned around in the wrong direction. Under Labour, a rescue operation had to be announced.

Will the Secretary of State tell us how much has been offered to BMW to secure that investment—which, of course, we welcomed? Will he also assure us that he had clearance from Brussels before signing the deal, and that there is no chance of jobs being jeopardised or lost at the last minute as a result of European Union intervention following an agreement between the Secretary of State, the company and all the other parties concerned? Those are important questions, to which we and the Longbridge work force need answers.

Mr. John Wilkinson (Ruislip-Northwood): My right hon. Friend, who is making an important point, will know that the discredited—in a collective sense—Commissioner van Miert seems to want to instigate an investigation of the disbursement of some £150 million of Government aid to BMW-Rover. Surely the United Kingdom has a pretty good record, or did have until the present Government came to power. Industrial subsidies to manufacturing industry in Italy are six times as high as those in the United Kingdom, and those in Germany are four times as high. Has not the European Union got a cheek?

Mr. Redwood: Of course I hope that the deal will go through and that jobs will be saved, but I condemn the level of support that has had to be given to secure those jobs. I blame the Government for that. I am delighted that we have a deal. Of course money had to be offered, because industry has been damaged so badly by the Government's policies; but if BMW-Rover had been making more money, retaining more profit and generating more cash in the United Kingdom, it would not have been necessary to offer so much money to secure the investment.

Now that this has been done, however, we want the jobs as much as the Secretary of State does, and we want no interference by the Secretary of State. My hon. Friend is right: there are massive industrial subsidies on the continent of Europe which are unfair, and which should be tackled before the rather lesser subsidies in Britain are subjected to scrutiny.

The Secretary of State does not like answering questions. I am almost tempted to ask for the return of the first Secretary of State, or President of the Board of Trade. She did not give away much at the time, but she was positively loquacious in comparison with the present Secretary of State. When I send him letters, either privately or publicly and politically—polite, or a little sharper—he says that he does not answer letters. I have never known a Secretary of State who refuses to answer letters from a parliamentary colleague speaking on behalf of the Opposition, but that is what this Secretary of State does, and I think that the public should know about it.

Mr. Byers: For the record, what I have said to the right hon. Gentleman—as he knows—is that when Parliament is in recess I am more than happy to answer his letters, but when Parliament is sitting I think it a gross discourtesy to the House to put questions in private, in letters, which could be tabled as parliamentary questions. If such questions were tabled, every hon. Member could see them and read the responses.

Mr. Edward Leigh (Gainsborough): On a point of order, Mr. Martin. I seek your guidance, for the protection of Back Benchers. During my 16 years as a Member of Parliament I have written hundreds, maybe thousands, of letters to Ministers. Am I now to be prevented from doing

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that because I should be tabling parliamentary questions? That is an absurd notion, and should be stamped on immediately.

Mr. Deputy Speaker: Order. How the Secretary of State conducts his affairs is up to him. It is not a matter for the Chair.

Mr. Redwood: I urge the Secretary of State to think again about this rather strange new constitutional doctrine. If I write him a letter, I write it because hundreds of thousands, or millions, or people out there share my point of view. I see it as a public duty to show that there is a different view, or a different way forward. There are times when I would like to write the Secretary of State a private letter, but, believe it or not, I care enough about business in this country to want occasionally to use my position, on behalf of business generally, to write to the Secretary of State privately to say, "If I were you, I would pay attention to this and do something about it."

When I was a Minister, if a Labour Member of Parliament—my opposite number, for instance—wrote a private letter, I respected that privacy. If it was a shadow Minister, I would invite him round for a cup of tea so that we could talk through what he had said. That is what the proper parliamentary process is about. If, on occasion, I write a private note and the Secretary of State thinks that I am being too cautious and that what I have said should be made public, I shall be happy for him to ring me up and say, "Let us publish the correspondence." When I write a general or political letter I will publish it anyway, so no discourtesy to the House of Commons is involved. Everyone will see it. I do not mind what the Secretary of State does with his letter, as long as I receive an answer myself.

Under the Conservatives, we followed the traditions of courtesy in this place. If a shadow Minister wrote a letter, it was treated as urgent. We took a personal interest in replying to such letters. If the letter was highly political, we sent a highly political answer; but at least we dealt with the letter there and then. If the letter was written in a different spirit and a different tone—we all know the different tones that are used in our job—it would be answered in a similar tone. We would accept that the shadow Minister had a point, and was speaking for his constituents or in the wider interest. [HON. MEMBERS: "Get on with it."] Hon. Members should not order me to get on with it. This is about how industry should present its case, and about whether the Government will listen. *[Interruption.]*

Mr. Deputy Speaker: Order. Hon. Members should not get so excited.

Mr. Redwood: The Secretary of State's new doctrine is that I must table all the more subtle points in my letters in parliamentary questions. I have tried that once or twice. Let me tell the House what happens in such cases. First, the Department sits on it for a bit. It misses the deadline. Then it decides to shuffle the question over to the Treasury, which decides that it is too difficult to answer—or the person concerned is not allowed to answer because, if he did, the Chancellor would beat him up, or at least disagree with him. The Treasury then fails to come up with an answer at all. I shall give the House and the Secretary of State an example.

I asked the simple question: what will be the impact on unemployment of a 1 per cent. increase in labour costs? That is not a hugely difficult question that needs rocket science to answer: any Government economic model has such information built into it, and the Secretary of State must have considered such matters before he pushed through the remains of the Government's employment legislation designed to increase wage costs. The previous Government certainly looked into the issue when we considered the sort of ideas that the Government are now producing, and we decided that they would be damaging. The Government must have a view.

The Secretary of State shoved the matter over to the Chancellor. The Chancellor or one of his Ministers replied that it would depend on whether the 1 per cent. increase in wages was matched by productivity. Well, you don't say! That was well worked out. I then tabled a question saying that what I had in mind was a 1 per cent. increase not matched by productivity, which is exactly the type of increase that the Government are forcing on British business. The Government refused to answer. That is a disgrace. This is meant to be open government.

Are Labour's ideas helping to generate more jobs, or are they destroying jobs? That is the big issue. I asked a simple question that goes to the heart of the matter. The Government will not answer it in letters, and they will not answer it from either Department of State. How can they claim to believe in business or open government when they will not answer such a simple point? Perhaps they will argue that one cannot get the staff these days. We do not get much out of the Government for £330 billion: it is all spent on spinning—none of it is spent on answering questions or on proper policy analysis. The Secretary of State is paid money to answer questions. I look forward to getting value for that money when he has had time to reflect on these exchanges.

I enjoyed the recent spat between the Minister for Competition and Consumer Affairs and the Secretary of State over the decision on News International and its bid for Manchester United. We have had no opportunity to cross-examine the Secretary of State on that. There has been no statement, although it was a big issue that affected thousands of Manchester United fans and many media businesses in this country and elsewhere.

The Secretary of State consistently told me before the decision that the Government had been entirely neutral, and that he was relying on an independent body outside Government to settle this crucial policy issue. We now learn that the Government submitted advice to the competition authority telling it to turn down the bid. The authority recommended turning it down, and the Secretary of State turned it down. Why did the Secretary of State not tell us that at the beginning? He could have saved the fans all the worry and the trouble of campaigning to try to influence the decision that he and his colleagues had already made. He also put Mr. Murdoch to considerable expense and trouble on the other side of the account. [HON. MEMBERS: "Oh!"] I am delighted that the Labour party so dislikes Mr. Murdoch. I am sure that he will be interested to read these exchanges and to learn that his business investment in Britain and his newspapers are not valued by the new Labour party.

The Government gave Mr. Murdoch a slap in the face, and they put the fans through a great deal of unnecessary worry, trouble and uncertainty. If only they had the courage to set out a policy on the relationship between the media and sport, we might have an even more flourishing media and sports industry, more investment and more common working of the kind that must happen one way or another.

Mr. Tony McNulty (Harrow, East): Get back to the motion.

Mr. Redwood: Labour Members should read the motion, because it is about the state of British business. *[Interruption.]* They point at the clock, but they have wasted time by making trivial debating points, whereas we are trying to highlight the damage being done.

I want the Secretary of State to tell us how many shipyards will close. Is he worried that 5,000 jobs are at risk from Kvaerner? What does he intend to do about that? Would it not be the final curtain on Labour's miserable industrial policy if the Govan yard were to close under the Government's economic stewardship? I learn that more bad news is just in: 200 jobs have been lost at Crane Fluid Systems in Ipswich.

Mr. Leslie: The right hon. Gentleman loves it.

Mr. Redwood: No, I do not love it; I hate it. I do not want my country to suffer and to do badly. I want the Government to listen to my warnings before another Crane Fluid Systems or another Kvaerner sacks staff and closes shipyards and factories.

The litany of woe from industry is all across the piece. The British Chambers of Commerce has said:

"Manufacturers continue to experience a deteriorating sales position at home . . . The knock on effect of the manufacturing slowdown is being . . . felt on jobs, the sector's employment figure has slumped to its lowest level for six years".

The "Engineering Trends" survey was equally gloomy. It said:

"Total new order intake fell again in the first quarter, having consistently declined since the second quarter of 1998."

It forecasts that more jobs will go. It says:

"Labour shedding became prevalent in the second quarter of 1998"—

after the Government came to power. It continues:

"Since then the trend has become more emphatic . . . Employment in the industry is forecast to decline significantly both this year and next."

Let us hope that labour shedding spreads to the electorate on 6 May. An awful lot of Labour votes and Labour councillors should be shed. The British public can pass their judgment on the job losses and the industrial failure that we see all over the place.

The Secretary of State sees mounting unemployment in his own constituency. The Foreign Secretary, having done so much damage to British business by his diplomatic blunders abroad, has had a huge increase in unemployment in his constituency. We now see the damage being done by the national minimum wage and the 48-hour working week policies. One of the many people who have written to me said that the minimum wage was

"great for those who will be receiving it but not so good for my son, and I am sure many more that are being made redundant because their employers cannot or are not prepared to pay it".

The lady continued:

"My son was devastated when he was told that he is being made redundant because of it."

It is all very well for Ministers to say that employers are not allowed to do that, but the fact is that employers are doing that because they have no choice. One company was quoted in the *Daily Mail* as saying that it has cut its work force from 50 to 30 to get ready for the minimum wage, which it could not otherwise afford.

All sorts of fiddles and diddles are being developed. Does the Minister know that some temporary employees who expected to get holiday pay are now told that their current rate includes it, and that they can take it or leave it? Does he know that lecturers with annual contracts are now told that they can have only 12-week contracts, so that they are not covered by the law? Does he know that there are so many holes in the policy that it looks like a sieve?

Does the Minister care that Business Strategies has forecast that 80,000 jobs will go because of the minimum wage? Does he know that an organiser for the GMB recently said that, because of the legislation, employees' hours of work are being cut, and that employees are being told to work harder for fewer hours to make the books balance? Another GMB official has said that some employers are making staff pay for their overalls and laundry to offset the minimum wage costs. I am sure that Labour Members did not want those effects, but they are the exact and inevitable consequences of sloppily drafted legislation, which, without those consequences, threatens people with the sack. We now see the emerging loopholes being used in an attempt to offset the job losses that otherwise would occur.

Now, 10 jobs are being lost for every hour of the Labour Government. Jobs are going across the country. If one makes things, one gets clobbered. If one elects a Labour Member, one gets clobbered. If one dares to elect a Labour Cabinet Minister, one gets clobbered particularly hard.

Since November, in Blackburn—which is meant to be looked after by the Home Secretary—unemployment has increased by 248, and many more jobs have gone. In Sheffield, Brightside, which is looked after by the Secretary of State for Education and Employment—a little joke there—unemployment has increased by 355, and many more jobs have gone. In Newcastle and Wallsend, which is presided over by the Minister of Agriculture, Fisheries and Food, unemployment has increased by 236. At least the Agriculture Minister is able to tell all the farmers that he is being entirely even-handed—they get the sack, and so do his constituents who work in factories.

Over at the Treasury, Ministers damage themselves as well as others. In Leicester, West, which is presided over by the Economic Secretary, unemployment is up by 349. In Pontefract, where the local Member of Parliament is full of good advice on how to run a successful economy,

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unemployment has shot up by 365 since October. I therefore suggest that she should go back to the drawing board.

Yvette Cooper (Pontefract and Castleford): I am very grateful to the right hon. Gentleman for suddenly showing such concern about jobs in my constituency. I hope that he will answer a question on a matter that is very important in that regard. Does he agree with the desire expressed in a previous Opposition debate by the right hon. Member for Wells (Mr. Heathcoat-Amory) for a return to the previous Government's energy policy of replacing coal-fired power stations with gas-fired power stations—the effect of which would be to close pits and the coal industry, thereby losing 1,200 jobs in my constituency?

Mr. Redwood: The previous Government's policy was kinder on the coal industry than the current Government's policy has been—*[Interruption.]* Labour Members do not do any thinking or reading. Do they not know that the present Government have tightened environmental constraints beyond the rather tight constraints introduced by the previous Government, the end result of which is that more pits will have to close now than under the previous, Conservative Government's policy? So the hon. Lady has scored an own goal with that one and completely misunderstood the important point.

Yvette Cooper *rose—*

Mr. Redwood: I must make progress, as we are running out of time in this rather short but very important debate.

As my hon. Friend the Member for Buckingham said, bankruptcies are rising. In the first three months of 1999, bankruptcies soared by 62 per cent. in the east Midlands and by 40 per cent. in both Wales and south-west England. A KPMG survey showed that receiverships are up by almost half in the north-east. Even a much better new deal than Labour's could not keep pace with the industrial devastation that we see daily on our television screens.

The Labour Government's answer to that high pounding of industry is to take £5,200 million out of business with their windfall tax; £14,250 million out of business in the first Budget; and £4,900 million out of business in their second Budget. They then had the audacity to tell us that we should be grateful for the "tax cut". It is not so much a tax cut, more a spin—but there is little spinning going on in the British textile industry after those Government policies. All we see is closure after closure.

The Conservatives want the Government to change course, and we propose a five-point plan for industrial recovery. First, the Government must cut business taxes. That will leave more money in the hands of business for investing in new plant, designing new products and creating new jobs. Secondly, the Government must stop imposing all those new rules and regulations and admit that their labour market legislation is an expensive shambles. They must either repeal it or exempt all small firms, which could then generate the jobs that we need.

Thirdly, the Government must tell the Bank of England that manufacturing matters. We need interest rates and an exchange rate that work for British business. The Opposition have often called for more sensible interest rates than those imposed by the Government and the Bank, and if our advice had been heeded at the time, the damage would have been limited.

Fourthly, the Government must get a better deal for British business from Brussels. They must use any influence that they may have to avert a trade war with the United States of America, and to press for the trade ban on British goods to be lifted. They must warn our partners that the beggar-my-neighbour devaluation of the euro must stop because it is destroying jobs in Britain.

Fifthly, the Government must sort out the mess that they have created by their specific attacks on individual industries. Petrol and diesel taxes are destroying our haulage industry, the Government's agriculture policy is destroying our farms, and the fishing policy is good for Spain but bad for Britain. Their muddled competition policy leaves media and sports businesses in confusion, and anybody with a vertical tie at a loss, having to pay huge lawyers' bills.

The Conservatives are setting out a clear pro-business agenda. We are once again the voice of business. My postbag is full of letters from the business community condemning the Government. Business wants us to warn and advise it before more factories close and more jobs are lost. I urge the Secretary of State—for the sake of the unions and his own constituents, if not because of my pleadings—to take those issues seriously, to answer the questions in the spirit in which they were posed, and to speak up and do something for British business.

5.2 pm

The Secretary of State for Trade and Industry (Mr. Stephen Byers): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the actions of the Government to reverse the industrial decline and the destruction of jobs, not least for young people, that characterised the situation while the Opposition formed the Government; welcomes the creation of over 400,000 jobs since the last election; notes the contrast between this situation and that of the Tory slow-down of 1989 to 1993 when over a million manufacturing jobs were lost; welcomes the achievements of the New Deal and its contribution to the 35 per cent fall since January 1998 in the number of young people unemployed for six months or more; believes that the sound economic policies of this Government are a better way to support industrial success and job creation than the interest rates at 15 per cent, budget deficits soaring, high long-term interest rates and boom and bust economics that were the previous Government's policy; and welcomes the strategy set out in the Competitiveness White Paper for encouraging enterprise, investment and innovation as the right way forward for Britain.".

There is one aspect of his strange and rather over-long speech that I think the right hon. Member for Wokingham (Mr. Redwood) will regret—his comments about Kvaerner in Scotland. He should be aware that all political parties in Scotland, including the Conservative party, have agreed not to try to score cheap political points at the expense of the Kvaerner yard. I regret the way in which he introduced that element into the debate.

However, I can understand why the right hon. Gentleman did that. The debate is taking place at a difficult time for the Conservative party, because it is a party bitterly divided and in denial both about its record in government and about the principles that underpin it.

I am pleased to see that the right hon. Gentleman, who speaks on trade and industry, has been joined on the Front Bench by the hon. Member for Chingford and Woodford Green (Mr. Duncan Smith), who speaks for the Conservatives on social security. Those two are not sitting round the kitchen table discussing the development of Conservative policy. They are being excluded from such matters, which are all being handed over to a group of former Social Democratic party members so that they can make the decisions.

I shall say more about kitchen table politics later, when I develop my theory about a party in denial of its principles. First, however, let us look at the Conservatives' denial of the past and of their record in government—a record of which the right hon. Member for Wokingham needs reminding. He was a Minister at most of the relevant times during the 1990s, yet he made no attempt to apologise for the mayhem and the destruction of the industrial base caused by his Government during the early 1990s, when they presided over one of the deepest recessions that we have ever seen in this country.

The right hon. Gentleman made no reference to the recession of the early 1980s, when the Conservatives were in office. In the early 1980s, GDP fell by some 6 per cent., manufacturing output fell by 18 per cent. and jobs were lost to the tune of 1.75 million, of which 1.5 million were in the manufacturing sector. That was the record of the Conservative party in government in the early 1980s.

The right hon. Gentleman touched briefly on the employment record of this Government. He said very little about youth unemployment—*Hansard* will show that he spent longer on our correspondence than on youth unemployment—but that perhaps reflects the status that he likes to give himself over and above the needs of those young people. Between 1979 and 1984, youth unemployment increased by some 650,000 and long-term unemployment increased by some 450,000. That was the record of the Conservative party in government in the early 1980s, and we will not let the Conservatives forget it.

Mr. Ian Bruce: When the new deal started last April, the rate of unemployment among 16 and 17-year-olds was 159,000, but the latest figure is 183,000. For the 18 to 24-year-olds, unemployment figures were 444,000 and are now 456,000. Those figures may be wrong, but they are the Government's figures from the Office for National Statistics. Why has youth unemployment gone up since the introduction of the new deal?

Mr. Byers: Yet again the hon. Gentleman is wrong, but at least he is consistent in that. The figures that he has mentioned include students looking for part-time work and parents with family responsibilities who are not seeking work. The claimant count—those who want employment—is down by more than a third under the new deal. That is the best way to count the figures for the new deal.

My right hon. Friend the Minister for Employment, Welfare to Work and Equal Opportunities will address the issue of the new deal when he winds up the debate. [HON. MEMBERS: "Oh."] I shall mention the new deal briefly when I need to address inaccurate and mistaken comments about it, but I wish to remind the House of the record of the Conservative Government in the early 1980s and the early 1990s. The latter period saw the second recession under that Conservative Administration.

The right hon. Member for Wokingham criticised this Government. He said that our interest rates were too high and that he was worried about the rate of inflation. I remind him that during the early 1990s, interest rates stayed at 15 per cent. for a year and were more than 10 per cent. for no fewer than four years, and inflation was at 10 per cent. During that time, manufacturing output fell by 7 per cent. and more than 1 million manufacturing jobs were lost.

The right hon. Member for Wokingham carries a personal responsibility because he was the Minister for Corporate Affairs during that time. In his contribution, he mentioned what he called a terrible record of personal bankruptcies and company insolvencies under this Government. Let us look at the record to see how successful he was as Minister for Corporate Affairs, and how companies and individuals prospered at that time. He became Minister for Corporate Affairs in 1989. In that year, the number of company insolvencies was 10,800, but then his magic began to work. In 1990, they were up to 15,500, in 1991 they were up to 22,400, and by 1992—when he left that office—they were up to 25,000. Of course, as soon as he departed, the figures went down again. In 1993, there were 21,000 company insolvencies.

Mr. Redwood: I shall ask the Secretary of State a variant of the usual question in this often-rehearsed debating point. Does not the right hon. Gentleman recall that he and the rest of the Labour Opposition at the time supported the exchange rate mechanism policy that led to those dreadful events and bankruptcies? They have never apologised in the way that we have. How is it right to do the same thing again? Why did the right hon. Gentleman not learn from the experience?

Mr. Byers: I know that the right hon. Gentleman hates to be reminded of his personal record. He likes to portray himself as a man of principle, but he was happy to remain a Minister in a Government who followed the course of action that I have described. He allowed the comfort of the leather seat in the ministerial car to take priority over his principles.

I remind the right hon. Gentleman of what happened when he was a Minister. I have shown how company insolvencies rose dramatically in that period, but we should also examine his record with regard to personal bankruptcies, a subject mentioned by the right hon. Gentleman himself. In 1989, when he took office, there were 10,400 personal bankruptcies, each one an individual tragedy. For the years 1990, 1991 and 1992, the personal bankruptcy figures were 16,400, 30,297 and 42,900. However, things began to look up after he left office in 1993—personal bankruptcies fell to 37,000 in that year. That is the right hon. Gentleman's record.

When the right hon. Gentleman talks about company insolvencies and personal bankruptcies, he should look at his own record: both rose dramatically while he was in office, and both began to fall as soon as he left office. That is the consistency as far he is concerned.

Mr. Bercow: What proportion of the 32 per cent. increase in small business bankruptcies in the first quarter of this year does the Secretary of State attribute to the savage tax and regulatory policies of his Government?

Mr. Byers: The hon. Gentleman is trying to divert attention from the record of the right hon. Member

[Mr. Byers]

for Wokingham. However, as I have told the Select Committee on Trade and Industry and as I said during Trade and Industry questions in the House three weeks ago, we as a Government have not got regulation right and we aim to improve our record in that regard. My right hon. Friend the Minister for the Cabinet Office said the same thing on Tuesday evening. We intend to put in place new procedures and mechanisms to ensure that we can lift the burden from businesses, be they small, medium-sized or large. I look forward to receiving a copy of the hon. Gentleman's Regulations on Small Businesses (Reduction) Bill, to see whether it contains any proposals of merit. I live in hope.

Mr. Sheerman: Is not my right hon. Friend being unfair to the right hon. Member for Wokingham (Mr. Redwood)? My right hon. Friend mentioned company insolvencies and personal bankruptcies in that period, but not the levels of interest rates or unemployment. That is unfair, as it means that he could not compare them with their respective levels currently. I hope that my right hon. Friend will set the record straight so that we can get the full picture of those glorious days of "Redwood in action".

Mr. Byers: I know that many Labour Members like to be reminded of the days of Tory boom and bust. I wanted to avoid using the phrase but, given that the temptation has been put before me, I shall say once again that interest rates were at 15 per cent. for a year and 10 per cent. for four years, that inflation was at 10 per cent. and that more than 1 million manufacturing jobs were lost. That was the record of the right hon. Gentleman when he was Minister for Corporate Affairs.

Mr. Redwood: Is the Secretary of State suggesting that, in this Government, the economy is run by the Under-Secretary in the Department of Trade and Industry who holds the post equivalent to the one that I held? Does he set interest rates and create the conditions that lead to employment or unemployment? If that is what the right hon. Gentleman is suggesting, I shall have to disabuse him: I did not do all that when I was an Under-Secretary of State.

Mr. Byers: It wasn't me, guv? The point is well made. The right hon. Gentleman was a member of a Government who were happy to preside over that economic position, and he did nothing about it. If he had disagreed, he could have resigned. He did not—at least, not until quite a bit later. The right hon. Gentleman can smile at that, but he knows that he jumped before he was pushed in a reshuffle.

The Opposition have had a deplorable 10 days, and they know it. They are in a desperate situation. The shadow Secretary of State for Social Security, the hon. Member for Chingford and Woodford Green knows that very well. He is isolated, ignored and not included in discussions that are taking place. Neither he nor the right hon. Member for Wokingham are part of what is happening in the Conservative party, and I understand why they are here together, clinging to each other in their splendid isolation.

Over the past 10 days, the Conservative party has clearly been in denial—denying its very principles. The right hon. Member for Wokingham and the hon. Member for Chingford and Woodford Green subscribe to those principles: they believe in the free market, and that the private sector should have an increased role in providing public services. We know that those are their views. But the pair of them have been consigned to the dustbin of history. They no longer represent the views of the Conservative party.

The right hon. Member for Wokingham is often hyperactive, but he has been very quiet during the past few days of debate within the Conservative party. I understand why that is so. He has put on the record his firmly held views, and they are in total conflict with the present policies of the Conservative party.

Last week, the deputy leader of the Conservative party showed a new way forward on the rejection of privatisation. But in *The Daily Telegraph* of 29 January 1997, the right hon. Member for Wokingham made his personal position clear. He said:

"I was an early advocate of privatisation, when it was thought wild-eyed and radical"—

an appropriate thing for him to have said, of course—

"and an early practitioner, when it was still hazardous. No one can doubt my credentials as a privatiser."

That was the right hon. Gentleman's position. It will be interesting to see how he reconciles it with the position stated last week by the deputy leader of the Conservative party.

Mr. Redwood: That is terribly easy. I was always a keen and early advocate of privatising commercial trading business to which people paid money for services or goods and which we could hope to make profitable in the private sector. As Secretary of State for Wales, responsible for health and education there, I was extremely keen to increase budgets so that we had properly financed state schools and hospitals. They are vital services. I use the NHS myself, and I used the education system when I was of that age. I want others to have access to the best possible care, and I fully support all that the leader of the Conservative party said in his recent speech.

Mr. Byers: The right hon. Gentleman made a deliberate slip there. He said that he supported everything that the leader of the Conservative party had said. I had referred to the deputy leader. Does he agree with all that the deputy leader said in his speech last week? Yes, or no?

There we have it. The right hon. Gentleman has deliberately failed to put it on the record that he agrees with the points made by the deputy leader of the Conservative party, specifically referring instead to the speech made by the Leader of the Opposition yesterday evening. That clearly exposes the fundamental division in the Conservative party.

Mr. Redwood: What I have said shows no confusion or split. The leader has gone further than the deputy leader did. The leader included all the things that I think important. The deputy leader was saying that he wanted properly financed public sector schools and hospitals, and I provided just that when I was a Secretary of State. I am very keen on that, and there is no difference between the deputy leader and me on the need to put enough money into a state school or a state hospital.

Mr. Byers: The right hon. Gentleman knows that that is not the point. The issue is whether the private sector

should be involved in public services such as education and health. The right hon. Gentleman is on a hook, and I want to make sure that we find out his precise position. He deliberately sought to avoid my point about his leader and deputy leader.

Let us move on to the shadow Chancellor's position. Earlier this week, he said clearly that he believed that the Government's proposals on public spending should be agreed. Can the right hon. Gentleman confirm that, commenting in *The Daily Telegraph* on 11 August 1998 on the comprehensive spending review, he said:

"Labour's second big mistake was to announce huge increases in public spending"?

He went on to say:

"The Opposition recommends promoting savings and reducing future public spending plans."

If that is what the right hon. Gentleman believes, how can he reconcile that with the comments made on Monday by the shadow Chancellor?

Mr. Redwood: There is a budget called welfare which is the shadow responsibility of my hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith). We in the shadow Cabinet all agree that the welfare bill is increasing far too rapidly. We have opposed a number of changes that have led to that increase. The right hon. Gentleman will hear from my hon. Friend the Member for Ashford (Mr. Green), if he catches Madam Speaker's eye later in the debate, about one of the areas where we think we can reduce that bill to the considerable benefit of the country at large. Our proposals are to have a lower rate of increase in the welfare bill than the Government are suggesting so that we can create more room for a sensible tax regime for business. We are fully behind, and always have been, increasing spending on health and education. This Government are increasing it more slowly than the Conservatives did in Government.

Mr. Byers: Conservative Members have not always been behind the increase because the shadow Chancellor called it reckless and foolish at the time. What we know—we have heard it now from the right hon. Gentleman—is that there should be cuts in welfare spending. We know that already because of the points made by the hon. Member for Chingford and Woodford Green. The Conservatives are on record as having said that they would cut the working families tax credit. Where else would cuts be made to reduce public spending to the level at which the right hon. Gentleman would wish it to be? He needs to answer those particular questions.

Over the past 10 days, we have seen a Conservative party divided. I now want to move on to show how a Labour Government can move forward and provide the economic framework in which businesses can prosper.

Mr. Geraint Davies: Is my right hon. Friend aware that when the right hon. Member for Wokingham (Mr. Redwood) was Secretary of State for Wales, he denied Wales millions and millions of pounds of European funding that was available at the time? Therefore, as opposed to supporting public expenditure, his record shows that he handed back expenditure available to Wales and elsewhere for investment in public services.

Mr. Byers: I have no doubt that the right hon. Gentleman's record across the piece, whether in relation to Wales or corporate affairs, bears detailed scrutiny.

Mr. Bercow: It does.

Mr. Byers: I agree absolutely. Perhaps we can move on now to the substance of what I want to say in relation to the economy that we inherited and the framework that we are putting in place.

There is no doubt that we inherited an economy that had strong inflationary pressures, with a large structural deficit on public finances and a public sector net borrowing requirement of £28 billion. In the face of unsustainable growth, rising inflationary pressures and high public borrowing, we had to take tough action to overcome the difficulties that we inherited. That is why we took the politics out of interest rates. We do not know yet whether the Conservatives agree with that policy. We are ensuring that rate decisions are taken in the national interest and on the basis of the long-term needs of the economy, and not on short-term political considerations.

We took action to put public finances back on track. As a result of those tough decisions, inflation is under control, interest rates have come down 2.25 per cent. in the past seven months and long-term interest rates are at their lowest for 40 years. We have put public finances back on a sound footing. We are on track to meet our strict fiscal rules while investing £40 billion in our schools and hospitals. The economy continues to grow and create new jobs. The latest figures show that the economy grew by 2.5 per cent. during 1998. More than 400,000 jobs have been created since the general election. Long-term unemployment has fallen by more than 50 per cent. and youth unemployment is down by more than 55 per cent. since then. There are a record number of people in work.

The right hon. Member for Wokingham likes to refer to the number of jobs that are being lost. I think that his calculation is one every six minutes; it was one every 10. That fails to acknowledge the number of jobs being created. One job is created every two minutes. That is the reality under this Government, and 400,000 people are benefiting from our policies.

Jobs are being created in all regions and we have had some positive announcements recently. This year alone, more than 68,000 new jobs have been announced. The right hon. Member for Wokingham referred to the north-east. More than 5,000 new jobs have been announced there so far this year. In particular, Nissan has recently started recruiting for about 800 new jobs linked to the production of a new model.

In the north-west, there have been more than 9,000 job gains since the beginning of the year. Yorkshire and Humberside have experienced net gains of more than 2,000 jobs since November. The west midlands has had 650 new jobs recently announced. In the east midlands, about 6,500 new jobs have been announced so far this year, in the east of England, 4,700, and in the south-east, around 7,500. In London, nearly 4,000 new jobs have been created since the end of last year. In the south-west, almost 6,000 jobs have been announced in 1999.

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In Scotland, 1,800 new jobs have been announced so far in April alone. On Tuesday, I was pleased to visit Motorola's Easter Inch plant at Bathgate where 400 jobs have been announced in the past few weeks. In Wales, 500 new jobs have recently been announced. In Northern Ireland, the Industrial Development Board has announced investments that promise 1,400 new jobs.

Those jobs have already been announced, but I have good news for the House on recent offers of regional selective assistance to companies, which are considering whether to accept them. Up and down the country, regional selective assistance will bring thousands of extra jobs in the weeks and months ahead. In the north-east, offers have been made that will safeguard or create 1,700 jobs. In the north-west, the figure is 2,455; in the south-west, more than 1,000; in the west midlands, 2,800; in Yorkshire and Humberside 1,700. In total, 11,700 jobs will be safeguarded or created.

Kali Mountford: I was delighted to hear that great list of new jobs. Can my right hon. Friend guarantee that we will not return to the policies of the previous Government? When I lived in Sheffield, Brightside, I saw unemployment go from being the lowest in the country to the 12th highest because of the closure of the steel industry.

Mr. Byers: I agree with my hon. Friend. Among industries doing well in a competitive environment, the steel industry is being remarkably successful.

The right hon. Member for Wokingham mentioned the Siemens plant in north Tyneside. Regional selective assistance is an important part of any package to attract inward investment. It is offered, and comes, with conditions clearly attached. When a company fails to meet those conditions, we shall take action to claim back the moneys that have been paid over. I can inform the House that this morning, my Department invoiced Siemens in full for the £18 million of regional selective assistance that was provided to it. We shall recover that money and we shall use every penny of it to secure additional inward investment, whether for the north-east or for the rest of the country. We shall provide employment with the money that will be paid back to the Government by Siemens. It failed to meet the conditions that we set. It will now be required, as a matter of urgency, to repay the £18 million that it received so that we can use it to create employment opportunities.

Mr. Redwood: I wholeheartedly endorse that decision, and I am grateful that the Secretary of State has taken it and announced it to the House. Why did he not take it when I first recommended it to him at the time of the closure? Did he take it today because he learned today or just before today the news of the Paris development, or did he take it today because we forced a debate and he knew that I would raise the matter?

Mr. Byers: The right hon. Gentleman should be aware that in the past few months, there has been an active marketing exercise to promote the Siemens plant on north Tyneside as a viable plant for the microchip industry. While that was so, it would have been inappropriate to reclaim the grant, because much of it was used specifically to develop the plant. He will know that just recently, Siemens took the decision to stop marketing the facility. In the light of that decision, officials in the Government regional office took action to reclaim the regional selective assistance. It was a matter in which I as Secretary of State was not involved. As the right hon. Gentleman will know, the procedures are very clear. If the conditions are not met, officials act in accordance with the guidance set by Ministers. That is what has happened today, and that is why the claim has been made. The two events coincided.

Mr. Ian Bruce: Will the Secretary of State give way?

Mr. Byers: I want to finish this point; it is important.

The important point is that that £18 million will now come back to the Government. It will come back to the Department of Trade and Industry, not to the Treasury. We will be able to use the money this year to attract inward investment into the United Kingdom to safeguard jobs and provide new jobs.

As I understand it, there are particular reasons why Siemens has entered into the joint venture on the Paris facility. I regret that it was unable to secure a joint venture to develop microchips at the north Tyneside plant. The Government did all that they could to find a new buyer of the facility. When the record is made public, as I hope that it will be in the not-too-distant future, my constituents and people in the north-east of England will see clearly that it was not for want of effort by the Government that we were unable to find a buyer, but as a result of commercial decisions taken at a high level by Siemens.

Mr. Bruce: I am sure that the Secretary of State knows, as many hon. Gentlemen and hon. Ladies know, that when jobs go to France, one gets a lot of accusations that the French have unfairly subsidised jobs. Has the right hon. Gentleman investigated what subsidy is going into Siemens? Has he lodged a formal complaint with the European Commission on that?

Mr. Byers: If there is a question of state aids being used in an inappropriate way, the Commissioner will need to investigate that. We have not yet seen the details of any agreement. We are relying on press reports at this stage. When we see the details, we will give close consideration to any subsidy.

It is vital that in the next few months, we continue to give support to industry. The White Paper that we published before December showing how the knowledge-driven economy could be used set out the new model for public policy and support for industry. It showed how the Government could invest to build on British capabilities, especially our science and engineering base and our skills. It showed how the Government could promote greater competition, principally by empowering consumers, and how they could act as a catalyst to collaboration between businesses, encourage greater business-to-business learning and encourage businesses to work with higher education institutions.

Success in tomorrow's fast-moving world depends critically on how well we exploit our most valuable and distinctive assets—our knowledge, including our world-class science base, our skills and our talent

for invention. The first industrial revolution was based on investment in plant, machinery and equipment; I have no doubt that the new knowledge-based revolution, through which we are now living, will require investment in human capital—in learning, skills and education. That is why the Government have committed an extra £19 billion to our schools, and the Department of Trade and Industry is committing extra money to improve workplace training, so that we have skills for the future.

In his speech, the right hon. Member for Wokingham led us to believe that it is all doom and gloom, but it is most important to realise that, in the United Kingdom, we have a number of world-class companies in particular sectors. We lead the world in pharmaceuticals and biotechnology; a combination of market liberalisation and technical advance has created a number of world-beating businesses in our telecommunications industry; and we need only to look at Nissan, in Sunderland in the north-east of England, to see Europe's most productive car plant. We need to celebrate and support that sort of success, and we need it throughout the whole economy. The challenge for any Government is to try to lift the medium to the best; that is what we intend to do.

Mr. Bercow: Will the right hon. Gentleman give way?

Mr. Byers: I want to make some progress so I shall give way to the hon. Gentleman later.

We need to focus on three key areas to raise our game. First, we must create an economic framework that rewards enterprise and promotes innovation and investment. Secondly, we must ensure that existing Government support for business is well tuned—especially to the needs of the manufacturing sector.

Mr. George Stevenson (Stoke-on-Trent, South): My right hon. Friend puts a powerful case—one that will receive the support of the House later this evening. I have two concerns on which I should be grateful for his comments: first, the growing trade deficit—especially in manufactures; secondly, the exchange rate, particularly in regard to European currencies—which is of particular concern in north Staffordshire.

Mr. Byers: I understand my hon. Friend's concerns. He has raised those matters with me privately. I understand that particular sectors face difficulties. However, he will be aware that the big appreciation in the value of the pound occurred before the general election. During the eight months running up to polling day, sterling appreciated against the deutschmark by about 22 per cent. Since the election, we have seen an appreciation of about 6 per cent. However, I am mindful of the problems. I hope to visit Stoke-on-Trent in the not too distant future, to see at first hand the particular problems faced by certain sectors.

Mr. Bercow: Given the Secretary of State's reference to human capital, I am a little surprised that he does not perceive the damage to its flexible use that is posed by the burdensome regulations on working time. Will he take this opportunity to confirm that he is aware of the statement, in the *Daily Mail* on 21 April 1999, by Lord Haskins—a lifelong Labour supporter, the chairman of Northern Foods and the chairman of the better regulation task force? The noble Lord said:

"We were consulted on the Working Time laws, but our advice was ignored . . . Its all a bit of a dog's dinner."

Mr. Byers: I understand that the noble Lord sells a great many dogs' dinners in his capacity as chairman of Northern Foods, so he probably knows far more about them than I do. I pointed out to the Select Committee on Trade and Industry that we are reviewing the guidance on the working time directive. I believe that improvements can be made and that the changes that we shall introduce will be welcomed by business and employees alike. That is the role that we intend to take.

I want to address the points made by the right hon. Member for Wokingham about trade. Those points are important at present, given the banana regime and the position taken recently in relation to the United States and hormone-treated beef.

I believe that a shared commitment to open trade and orderly progress has been a driving force for growth, even in countries that not so long ago seemed to have been permanently left behind. Now, in many respects, that trend has stalled and, in some places, it has even been reversed, but I believe that to be a temporary setback, not a permanent condition. The essential answer to the problems we currently face is not less globalisation, nor new national structures to separate and isolate economies, but stronger international structures to make globalisation work in harder times, as well as in easy times. Our urgent need is closer co-operation, continuing dialogue and an unwavering commitment to open commerce. We must not let temporary instability put the global process at risk.

In stormy economic weather, there are easy, but dangerous, shelters: a return to protectionism, the breakdown of co-operation, and the rise of beggar-thy-neighbour policies. That can only yield further worsening of the situation; it cannot lead to renewed growth. Let the House in a common spirit send out a clear message that protection anywhere is a threat to prosperity everywhere. Closing off national economies only increases national and international instability, and throughout the world, it is the poorest and most vulnerable members of society who suffer from financial crisis and stagnation. That is why we shall continue to work for a new round of trade liberalisation and better market access for our exporters of goods and services.

Mr. David Heath (Somerton and Frome): I wholly agree with the Secretary of State on trade liberalisation, but does he agree with me that free trade does not equate to the interests of American corporations? There must always be recognition of factors—social, environmental, and so on—that might mean that certain technologies are not appropriate to some countries. That protection must be available to those countries to use if they need to do so.

Mr. Byers: There is the flexibility to take those factors into account within the procedures laid down the by the World Trade Organisation, and we shall ensure, during the new round of discussions that starts later this year, that those factors can continue be taken into account.

I conclude on the subject of trade by making one point that is important in the light of recent events. I assure the House that we want improvements to be made to the

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mechanisms for settling disputes, so that we can resolve differences without recourse to damaging retaliation. It will be in the interests of all of us to be able to avoid the difficulties that we have encountered in recent months.

Mr. Paterson: I welcome the Secretary of State's comments on the benefits of world free trade. Does he consider that the unhappy episode over bananas could have been avoided if Britain had been a party to the North American Free Trade Agreement?

Mr. Byers: I do not agree, because it would have meant that all sorts of pressures would have been applied, which would not have been helpful to our efforts in respect of the banana regime.

This debate comes at a difficult time for the Conservative party. The modern Tory party is a family at war, sitting around their newly acquired kitchen table in a kitchen that has, yet again, been redecorated in an attempt to freshen up their image. The photograph of grandmother was dumped in the skip outside, but hastily retrieved by the head of the household when he faced a family rebellion. After the past 10 days, the message that the Leader of the Opposition needs to learn is clear: "If you can't stand the heat, you'd better get out of the kitchen."

Despite all the noises offstage, the Government will not be diverted from our task. We believe that economic efficiency and social justice are two sides of the same coin. We are creating the climate in which businesses can prosper, creating jobs and providing sound public finances. The coalition that gave us victory in 1997 is still strong: as a party we are united and as a Government we are delivering on our promises. Government carries with it great responsibilities and burdens of state, and we shall discharge those responsibilities on behalf of our people and our country. I commend the amendment to the House.

5.45 pm

Mr. Paul Keetch (Hereford): There were times during the past hour and three quarters when I wondered whether I would get in before the winding-up speeches. I begin with a word of warning to the Secretary of State: he should be careful about attacking the Leader of the Opposition. Some of us in this place believe he is doing a fine job and would like to see him remain in his position. I think the people of this country certainly recognise the Leader of the Opposition for what he is.

I want to explore what the motion means in terms of industry, job losses, youth unemployment and the new deal. Before I do so, I must admit that I think some parts of the motion are a bit rich. Liberal Democrat Members remember how the previous Government wrote off more than 2.5 million jobs in manufacturing over 18 years, so we find the Conservatives new concern for the unemployed rather stomach-turning.

The motion describes some of the problems in industry, but it fails to mention several difficulties that we believe are intrinsic to British industry at present—poor productivity, low investment in research and development and low skills levels.

Let us look at a few facts. The United Kingdom produces less per person than most other major economies. Our productivity gap of 40 per cent. with the United States and more than 20 per cent. with France and Germany reflects a long-standing weakness in our economy. The United Kingdom invests less in research and development than our competitors. For example, the United States invests 50 per cent. more of its GDP in R and D than we do. The United States and Germany invest 40 per cent. more per worker in new capital equipment than the United Kingdom.

The skills gap in this country is fast becoming a yawning chasm. Some 22 per cent. of adults in the United Kingdom have poor literacy skills, which is twice as many as in Germany. Yet to listen to the Opposition, one would think that those problems began on 1 May 1997. The fact is that many of the weaknesses in the British economy date from the years of Tory mismanagement. While we are not totally happy with everything that the new Government are doing, we accept that they are trying to make a start.

Manufacturing industry is in recession and output is predicted to fall by between 1 per cent. and 1.5 per cent. in 1999. As a direct result, instead of remaining flat, unemployment is likely to rise by 250,000. In its latest press release published last Friday, the Trades Union Congress states:

> "Britain is now a two speed two-nation economy. The slowdown in the coming year will further hit those areas with the greatest dependence on manufacturing. Manufacturing is moving into recession and the service area is continuing to expand."

The TUC calls it a two-speed economy, but, in a debate last year, I called it a Jekyll and Hyde economy. London and the south-east are becoming more prosperous while the north east and the west midlands are suffering.

For example, unemployment has risen by 3.7 per cent. in the north east of England in the past six months and by 3.3 per cent. in the west midlands. That area has lost nearly 4,000 jobs, but London and the south-east have gained more than 7,000 jobs in the same period. It is not just the traditional heavy industry or the metal-bashing areas of those regions that have been affected; light industry and manufacturing is also being hurt. The Secretary of State and the Minister for Employment, Welfare to Work and Equal Opportunities will know that the Thorn Lighting plant in Hereford may close, with the loss of 348 jobs. I accept the support that the Secretary of State and the Minister have offered, but we cannot afford to lose that kind of industry in a rural constituency.

Mention has also been made this afternoon of Siemens. I am sure that many hon. Members on both sides of the House have examples of company closures in their constituencies, and that trend must not be allowed to continue.

In the Prime Minister's constituency, and in the constituencies of 105 other Members of Parliament, more than 30 per cent. of workers are employed in the manufacturing sector. According to the TUC study, "Jobs in Jeopardy", the right hon. Gentleman can expect economic hardship to increase in his constituency over the next 12 months. The Chancellor sometimes claims that those problems are due to the collapse of the global market and the failures of Asia, Russia or Latin America. However, the fact is that the United Kingdom exports more to the Netherlands than to those areas combined. The Treasury's own figures reveal that our key export markets are growing by a rate of nearly 6 per cent. a year, but the UK's take-up of that new business is barely 0.5 per cent. In our key export markets, therefore, British business is losing opportunities for growth.

The reasons for that are clearly the high value of sterling and high interest rates. The value of sterling is today 10 per cent. higher than it was when the Government came into office, and with interest rates still 2.5 per cent. higher than those in the rest of Europe, the extra cost of investment adds to our lack of competitiveness. The Government know what they have to do: they must now set a time scale for British entry into the single European currency, which will remove the burdens of an over-valued pound and high interest rates.

Mr. Stevenson: If, as I suspect, the hon. Gentleman is urging the Government to support immediate entry into the single currency, at what exchange rate does he think sterling should be locked in?

Mr. Keetch: As the hon. Gentleman knows, we have to consider that matter very carefully, and I insist that the Treasury should now start to prepare for entry. Our concerns are that we have not started preparations and that we do not have the information to make the necessary assessments. That is why I and other hon. Members have called for a White Paper.

Mr. Bercow: The point to which the hon. Gentleman refers is absolutely fundamental to an understanding of the issues and a recommendation for policy action. Does he believe that Britain should enter the euro on the basis of exchange rate mechanism mid-rates, and if not, what is his alternative? Is he not aware that all the countries that have entered in the first wave have done so at ERM mid-rates, and a specific derogation would be required if we were to enter on a different basis? I hope that the hon. Gentleman understands these issues.

Mr. Keetch: We are now almost two hours into the debate and only Front-Bench Members have made speeches, so I do not want to be diverted into a debate about the euro. I signed an early-day motion proposed by the hon. Member for Stone (Mr. Cash) which called for more information on the issue, and Liberal Democrat Members have criticised the Government, as we criticised the previous Government, for not producing information about the euro.

Mr. Paterson: Will Liberal Democrat Members read the treaty of Amsterdam? If the hon. Gentleman reads article 118 and paragraph 4 of article 123, he will find that we are bound by the treaty to enter at the basket rate—which means the median rate, as my hon. Friend the Member for Buckingham (Mr. Bercow) said—and any derogation from that must be passed unanimously by all other existing members. We are therefore bound, at present, to enter at a rate of DM2.95 to £1 sterling, which would be catastrophic for the potters in Staffordshire.

Mr. Keetch: I suppose that it is all my fault for mentioning the single European currency. I have now taken interventions from precisely half the Tory Back Benchers in the Chamber.

Mr. McNulty: Two thirds.

Mr. Keetch: Indeed, two thirds. I assure the hon. Member for North Shropshire (Mr. Paterson) that if he sends me those articles, I will read them.

I return now to the Conservative motion on youth unemployment and the new deal. According to the Conservatives, the new deal has failed to reduce unemployment. The charge in the motion repeats that made on the radio this morning by the Conservative employment spokesman. We commissioned research on youth unemployment from the Library.

Mr. McNulty: Will the hon. Gentleman do a bit on the euro?

Mr. Keetch: Yes, I shall do a bit on the euro.

In response to the Conservative spokesman's comments this morning, I have to say that the Tories have got it wrong. It is true that unemployment among 18 to 24-year-olds who have been out of work for less than six months has risen by 10 per cent. since the general election. However, the new deal is for those who have been unemployed for longer than six months, and in that category, unemployment has fallen by over 58 per cent. since the general election.

Mr. Damian Green (Ashford): The hon. Gentleman did not need to go to the Library; he could have read the unemployment figures when they came out last week. They reveal that the number of 18 to 24-year-olds who have been unemployed for between six and 12 months—they are pretty much the target for the new deal—has increased since the new deal was introduced last April. If the hon. Gentleman studies the figures and uses the Government's preferred unemployment rate, he will find that he is wrong in saying that the number of those unemployed for longer than six months has fallen.

Mr. Keetch: Again, I refer to the Library's figures. I started by considering what had happened since the election. Before the hon. Gentleman intervened, I was about to say that between April 1998—when, as the hon. Gentleman rightly said, the new deal went national—and February 1999, the number of claimants aged between 18 and 24 halved. Youth unemployment is coming down.

Mr. Ian Bruce: Will the hon. Gentleman give way?

Mr. Keetch: No; I will not.

There may be some anxiety over the definition of youth, but even in the number of claimants aged 16 and 17, there has been a 3 per cent. fall in unemployment, and in those aged between 25 and 29 there has been a 19 per cent. fall in unemployment.

On the radio this morning, responding to the shadow Employment Secretary's views, the Minister said that they were just plain wrong. For once, I agree with the Minister about the Conservatives' views.

However, we do not believe that all in the new deal garden is rosy, and we have tried to make some constructive changes. We believe that too many people are leaving the gateway. It was expected that 40 per cent. might leave, but 93 per cent. are leaving. We want to know what is happening to the 29 per cent. of those who leave new deal for destinations unknown. We want to know why, although the planners expected 20 per cent. of those involved in the new deal to take the education and training option, more than double that percentage—

[Mr. Keetch]

49 per cent.—are doing so. We also want to know why ethnic minorities seem to be getting a poor deal. However, only slight alterations need to be made.

Many of the problems that we have suggested may be occurring, arise from the scheme's introduction. It is too early to say that the new deal is working, but it is also too early to say that it is a failure.

In conclusion, industry is certainly failing, but for the Conservative party to suggest that it is the new Government's doing is ridiculous. The Tory party must take account of its responsibility for the underlying weaknesses in British industry. That is why the Liberal Democrats will oppose the motion.

5.56 pm

Mr. Frank Field (Birkenhead): There is an air of unreality about the debate, arising as it does from an Opposition motion decrying job losses.

I represent an area that has still to recover from the haemorrhage of job losses in the early 1980s. Thanks to the entrepreneurial skills of British industry—rarely the abilities of British Governments—the country as a whole now has more jobs than it had in 1979; but in areas that still depend heavily on manufacturing industry, such as the area that I have the privilege to represent, a massive job deficit persists, thanks to the way in which the Tories behaved in government, especially in relation to the exchange rate. Therefore it ill behoves them, when they face a Labour Government who can report an overall increase in jobs during their stewardship, to try to pass motions of censure.

In Birkenhead, we are still 2,000 full-time-jobs short compared with when the Tories came to power in 1979. Whereas there has been a massive increase in part-time jobs in the rest of the country, there has actually been a slight fall in the number of such jobs in Birkenhead.

When we talk about the new deal, we are talking about a Government who are trying to help people throughout the country, but especially in areas where it is very difficult indeed to get jobs.

I congratulate the Government on the new deal, on four counts. First, long-term unemployment has been abolished among those under 25. It might mean nothing to Conservative Members, but it means a great deal to my constituents that the era when it was enough merely to pay benefits and forget about people is over. That era of long-term unemployment has drawn to a close; on those grounds, I thank the Government.

Mr. Ian Bruce: Will the right hon. Gentleman give way?

Mr. Field: No. I think that there have been far too many interventions in the debate. I hope that the hon. Gentleman will make his own speech.

Secondly, I congratulate the Government on transforming what has been primarily a reactive welfare system into a proactive one. When the welfare state was established, the vast majority of people claiming benefit were pensioners, and it was totally proper that we focused on delivering benefits effectively. Now the vast majority of people drawing benefit are below retirement age. Merely paying benefit is simply not good enough. The new deal represents a significant shift from a reactive to a proactive welfare system. It is not good enough for the Opposition merely to talk about the number of people who have moved from the new deal into jobs, though that is significant. This programme is about changing the whole culture of welfare and people drawing welfare. I congratulate the Government on that count.

Thirdly, this Government—of any Government—have devised the most effective and humane way to counter benefit fraud. Previous Governments fired randomly at claimants. Some people were cheating and some were not. People were driven off and we did not know whether they should have been claiming benefit or not. We now have a system whereby people are offered a full-time option at the end of their gateway process. On average, about a third of claimants cease claiming when they have to take a full-time option.

It is clear that many of those claimants have jobs. In my constituency of Birkenhead, the figure rises to slightly more than 50 per cent. The Government have come up with what the electorate have been longing for: a system that genuinely tries to help those who want to work, but cannot, and, at the same time, deals effectively with those who are drawing benefit while working.

I congratulate the Government, fourthly, because, through new deal, genuine entrepreneurial skills are being developed by the benefit staff themselves. It is a real pleasure to talk to them about what they are doing, what they are achieving and how they are able to help. They take pride in the operation that they can now offer.

We have abolished long-term unemployment, as it was known, for the under-25s and we are moving from a passive to proactive welfare system. We are helping those who genuinely want work and the Government have devised the most effective way of countering fraud. Entrepreneurial skills are being developed in the public sector. On all those counts, I congratulate the Government.

In the few more minutes of the House's time that I want to take, I merely wish to make a plea about how I should like welfare-to-work mark 2 to develop. The Government are considering that issue and some announcements, which are seeing us into that second stage, have been made. These are my suggestions.

First, I am concerned, as we all are, about the number of people on welfare to work who move from the gateway into the subsidised job option. We know that making that move is the most effective way of getting a long-term job after the subsidised job is finished. The proportion of people on that option has fallen from about 50 per cent. to 15 per cent. Why is that? Have all the employers with jobs to offer already come forward, is there only a particular stock of jobs available under that option at any one time, and do we need to talk much more carefully to individual employers about why they do not want people from the dole queue or from welfare to work? I should like the Government to think seriously about that. I could develop some other ideas, but other hon. Members wish to speak.

Secondly, I want the Government to be much tougher on those who have already worked out how to get back on to benefit without taking the option. In the Wirral we know which doctors are signing people off sick for 13 weeks so that they can return to benefits afterwards.

Although it is difficult to do that at the moment, can we have an assurance that people who have been on welfare to work and leave when they are offered a full-time option will be immediately offered that option whenever they return to the welfare rolls—within a year, for example? Such people should have to make that choice. They should not have the choice of spending six months unemployed and four months in the gateway before having to choose whether to go for the full-time option.

Thirdly, I make a plea to Ministers to think about shortening the gateway. Most claimants have four hours of interviews during the gateway. Why does it have to last four months? It had to at the beginning, because we were trying something new, but we are offering only five hours of interviews during four months. Could not we shorten the gateway? That would make welfare to work much more effective.

Fourthly, may I make a plea for us simply to give the whole budget to offices that are clearly developing entrepreneurial skills—including the benefit budget—so enabling them to run welfare-to-work schemes? Let me give two examples relating to the Birkenhead office. It cannot allow people on training schemes to apply for driving licences. I understand why that is not done on a national basis, but in Birkenhead there are jobs waiting to be taken by people with driving licences. If local offices had real control over their budgets, they would arrange courses specifically for people who could apply for known jobs.

This is my second example. There are, thank God, some unskilled jobs waiting to be filled in north Wales, but there is no easy transport to north Wales. An entrepreneurial manager wants to lay on a bus, which would be taken up later by someone else who found that profit could be derived from it, and we would be able to fill the vacancies from Birkenhead. We should begin to trust staff who show that they have real entrepreneurial skills in mark 2 of our welfare-to-work scheme.

Finally, let me make a plea on behalf of claimants who, having done everything in their power to make the scheme a success and having done all that is required of them, do not ultimately secure a job of any kind. Can we stop allowing them to languish for two months, as we do now, before introducing them to what they will consider to be no more than a treadmill? Can we think imaginatively in regard to mark 2? Can we link subsidies to individual workers, empowering them to go out and see whether they can find an employer when everyone else has failed to find an employer for them?

I congratulate my right hon. and hon. Friends on the welfare-to-work programme, which has proved remarkable in many ways. We could, of course, make some criticisms, but, in view of the significant advances that have been made, they would be carping criticisms. Given the success of mark 1, many of us are anxious to discuss constructively with the Government how mark 2 might develop: indeed, many of us cannot wait for that discussion to begin.

6.7 pm

Mr. Owen Paterson (North Shropshire): One industry is being devastated by the Government's policies. The state of that industry underlines all that Conservative Members have said about the fact that the Government do not understand business, and do not understand the impact that their policies are already having throughout the country. I refer to the road haulage industry, which employs 500,000 drivers and another 500,000 staff in warehouses and offices.

In a debate on Tuesday this week, much was made of the fact that the fuel duty escalator was introduced by the last Government at 3 per cent. The haulier named in the now infamous KPMG report which, since last Wednesday's debate, the Government no longer mention—it was not referred to on Tuesday—has given me figures showing that in 1994 only Spain and Luxembourg had cheaper fuel than the United Kingdom. That is a startling contrast with the present situation. The United Kingdom now has easily the most expensive diesel in Europe. The difference is astonishing. Let us consider the cost of filling a 1,200-litre lorry with two tanks. The difference between the cost here and the cost in Luxembourg is £350.40; the figures for Belgium and France are £330 and £267.60 respectively.

Since last week's debate, the haulier named in that famous report has been taking steps to move his whole business to Luxembourg. During our debates, several senior members of the Government told us that the fuel duty did not really matter, and that vehicle excise duty did not matter, because we had lower business costs, lower insurance costs and lower corporation tax.

I shall show the House that the Government are completely wrong. The Deputy Prime Minister, who may not be the brightest, gave us figures during Prime Minister's questions showing that Belgium and Holland had business costs that were unaccountably £800,000 and £600,000 more expensive that ours. *[Interruption.]* I should be most grateful to the Minister if he would listen while I explain the difference.

Vehicle excise duty in Luxembourg is £226 as against £5,750 in this country. This man runs 90 trucks, so that is a £497,000 difference. He buys 4.5 million litres of diesel a year, and the difference on that is more than £1.3 million. The savings on fuel and VED by operating trucks in Luxembourg is £1,811,160.

Set against that is the savings on a driver paid £330 a week, his pension and national insurance contributions, and the insurance on the vehicle, which would give an advantage over Luxembourg of about £14.20 per week per driver. This man generously told me that he made a profit last year of £400,000, so the saving on corporation tax, which is 30 per cent. in this country and 33 per cent. in Luxembourg, is only £12,000.

The total United Kingdom saving is £78,456, giving this man the benefit of a £1,732,704 saving by moving his entire business to Luxembourg. If my figures are wrong, I should like the Minister to prove it. He should put in the Library the back-up figures for the Deputy Prime Minister's claim that cheaper social and running costs outweigh the disadvantages of more expensive VED and petrol duty.

It is sad that such a successful export business is moving abroad. The man was quite clear. He said that the Chief Secretary's comments in the debate the other night were stupid, and that they showed that the Government were not going to listen—"therefore I'm off".

As for the impact on other hauliers, I shall quote my constituent, Dave Yarwood from Maesbury. He said:

"Companies are in business to make a profit, nobody minds paying tax on profit. Indirect taxation however is making it impossible for some businesses to make a profit in the first place."

[Mr. Owen Paterson]

Figures from the Library show a dramatic increase in the number of foreign-registered trucks leaving this country. In 1997, there were 597,000, and for the four quarters ending quarter three 1998 there were 690,000. That is an astonishing increase, and it is due to the benefits of cabotage, which as free traders we welcome. However, the Government have not taken on board the impact of cabotage. Foreign trucks with the benefit of cheaper VED and dramatically cheaper fuel can come to this country and will wipe out our hauliers. Our hauliers will go.

Mr. Stevenson: Will the hon. Gentleman remind the House which Government agreed to remove cabotage restrictions in the United Kingdom for road haulage?

Mr. Paterson: The Conservative Government. I am a total supporter of cabotage, because I believe in free trade. Cabotage will work only if there is a level playing field. The Government have manacled our hauliers behind both ankles, so they cannot compete.

Ms Claire Ward (Watford): With his reference to a level playing field, is the hon. Gentleman suggesting that there should be tax harmonisation across Europe?

Mr. Paterson: I am in favour of taxes being as low as possible in all countries. I salute the socialist Government in France. I have a cutting from *Figaro* of 29 September 1998, which says that the French Government introduced a rebate so that French truckers could compete with truckers in Luxembourg.

Mr. Bercow: Does my hon. Friend agree with me that it would be helpful to the debate if the hon. Member for Watford (Ms Ward) were to understand that we want lower taxes here? We do not think it our business to encourage other member states of the European Union to make their taxes higher. It is a blindingly obvious point, and I hope that the hon. Lady can grasp it.

Mr. Paterson: I am grateful to my hon. Friend for making that point. However, as other hon. Members wish to speak, I shall move on to deal with another matter.

The Government also claim that the measure—by providing a rebate for converting engines to use ultra-low sulphur diesel, for example—will create great environmental benefits. However, it costs £4,000 to convert a euro 1 engine, and £3,500 to convert a euro 2 engine. It is therefore not surprising that very few hauliers are tempted by the Government's offer of a £1,000 rebate as compensation.

One haulier said:

"We have been given a £1,000 reduction per vehicle annually if we fit a particulate trap to reduce emissions. This will cost £2,500 per vehicle, is guaranteed for 12 months only, is unreliable and may not be compatible with our vehicles. It is not cost effective."

The measure is also not environmentally effective, as more crude oil has to be cracked to create ultra-low sulphur diesel than ordinary diesel. Worse still, Mobil CNG estimates that ultra-low sulphur diesel is 4 per cent. to 7 per cent. less efficient. A large haulier in Sheffield converted 130 38-tonne trucks and reported an 8 per cent. increase in fuel consumption, costing him £250,000 in the first year. It is yet another case of the Government not getting their facts right, not understanding how things work, and creating extra costs for a successful British business.

Mr. Derek Foster (Bishop Auckland): I agree with the hon. Gentleman's case on fuel. I think—as I said in my speech immediately after the Budget—that our Government made a big mistake in taking that action, which is also undermining our making work pay strategy for the working poor in my rural constituency. However, is this not an unreal debate? Successive Governments have perpetrated a deception upon the electorate—that it is possible to have superb public services and to reduce taxation. The truth is that the taxation burden has increased year after year—under the Thatcher Government, under the Major Government, and now under our own Government. Why do we not tell people the truth—that we cannot have good education and good health without paying for them? Why do we not get them to pay for those services by the most just means—by increasing personal taxation?

Mr. Paterson: I am most grateful for that intervention by the right hon. Gentleman, who has made the most pertinent point—that the Government think that they have found a golden-egg laying goose that will not bite back. The Government are taking £36 billion from road users, but are reinvesting in roads a paltry £6 billion.

Ms Ward: The hon. Gentleman mentioned golden eggs. Has he perhaps forgotten that the previous Government introduced the fuel duty escalator?

Mr. Paterson: With deepest respect, had the hon. Lady been listening to my earlier remarks, she would know that I said that, at that time, only two other countries in Europe had lower diesel costs than ours and that the policy worked. Now, we have by far the most expensive diesel in Europe, but are not achieving environmental benefit because of it.

We are trying to achieve, based on 1990 figures, a 12.5 per cent. reduction in carbon emissions. According to the Library, the 1990 emissions total was 159 million tonnes, of which only 30 million tonnes were caused by road transport—of which only 16 per cent. came from freight. Therefore, eliminating the freight element would reduce carbon emissions by a maximum of only 5 million tonnes. The Government's policy does not make any environmental sense.

In our debates on the issue, the Government have also trumpeted their creation of a forum. We were told that the Government had listened, and understood that industry was in crisis, and that they had consequently instantly reacted. However, the facts paint a somewhat different picture. The forum has met only once, and under some duress. Three senior members with trucking businesses—the chairman of the Road Haulage Association, the president of the Freight Transport Association, and another senior haulier—were banned from the meeting. There was no agenda for the meeting, of which no minutes were published. No further meetings or agendas were planned. All we know is that, today, a meeting has been announced between civil servants and one of the senior members of a trade association.

The Government do not care about industry. They were interested only in having the spin and catch-phrase that "a forum has been established".

When the Minister replies, will he let me know what the future programme for the forum is, and what the Government intend to do about an industry that has been brought to its knees? An uncompetitive transport industry affects every business in the country.

6.20 pm

Mr. Gordon Marsden (Blackpool, South): What a curious lot the Opposition are. Instead of concentrating their fire power sensibly, as their depleted numbers would suggest that they might, they have brought to the House a cumbersome portmanteau of a motion. In academic publishing in recent years it has been the custom to roll out titles in threes, to give them a sort of spurious quality that they would not otherwise possess. The title of the Opposition debate, citing job losses, the state of industry and the new deal, falls squarely into that category.

It is remarkable how much time the right hon. Member for Wokingham (Mr. Redwood) spent in working out his own equivalent of the Henry Root letters. The rest of his speech consisted of the amnesiacs' almanac of the Tory Government's failures over the 18 years before the present Government came to power.

It is interesting that the Tory motion recommends a change of policy. I suppose it is a start to discover that they at least have a policy to which they can recommend we change. In view of the events of the past week, the only problem is: which policy is that? Is it the policy of the shadow Chancellor, the right hon. Member for Horsham (Mr. Maude)? Is it the policy of the right hon. Member for Wokingham, the policy of the right hon. and learned Member for Folkestone and Hythe (Mr. Howard), or the policy of the hon. Member for Chingford and Woodford Green (Mr. Duncan Smith)?

During the debate, the Opposition have not told us whether the market will provide. Until they settle that conundrum, perhaps Tory central office had better update the old advertising slogan: "If you want to be vague, ask for Hague."

The three key areas of the debate are business, employment and the new deal. Under the previous Government, we were told that the market would provide. I ran a small business, employing eight people, for 12 years under that Government, and I have in my constituency about 1,500 small bed-and-breakfast establishments, hotels and guest houses, so I know that hundreds of such businesses went to the wall in those years under the previous Government's yo-yoing exchange rates and lack of organised economic policy.

The Conservatives gave us long-term interest rates 2 per cent. higher than those of Germany and France, and the worst share of world trade this century. In 1994, the gross product investment was only 15 per cent.—less than that in any other industrialised country. The present Government have introduced policies that lock in long-term stability at macro level. That is why we introduced operational independence for the Bank of England. We cannot abolish the business cycle, but we can reduce its amplitude. Let us contrast that with the monetarist-driven boom and bust of the late 1980s and early 1990s, when 1 million manufacturing jobs were lost. Today, inflation is close to the target of 2.5 per cent. and long-term interest rates are at their lowest for 40 years.

Micro policy reforms are also central to the Government's agenda. My right hon. Friend the Secretary of State for Trade and Industry spelt those out, as he has on many occasions. They involve education, training, access to capital and labour markets, product market competition, and investment in infrastructure and in science and technology. The Government realise that there is no reason not to invest in labour. Investing in labour is the most important thing, although the previous Government thought that tax breaks for capital were all that mattered.

Let us think about employment and manufacturing industry. In my constituency many people work for British Aerospace, a key employer involved with the Eurofighter. The Government have been particularly successful in that area. In 1998 they introduced a public-private partnership, with £123 million being spent on design and development of the wings of the A340 airliner. By February this year, the 2,000th airbus wing had been completed; 556 aircraft were ordered in 1998, and £39 billion worth of orders have been generated worldwide. At the beginning of this week, Airbus launched the A318 aircraft, with 109 orders—more than had originally been suggested.

The Government have done an enormous amount in the Budget for small businesses, including the new 10p rate of corporation tax, the new Small Business Service to improve Government's approach to small businesses, the automated payroll service, and the extension of 40 per cent. first-year capital allowances for another year. Those are welcome and important measures.

The Opposition have been scornful about the new deal but even they have not dared to attack it directly.

Mr. Green: Just wait.

Mr. Marsden: The hon. Gentleman may wish to chance his arm later in the debate. It is perhaps not surprising that the Opposition have been diffident about attacking the new deal, in view of the success that it has engendered. Given the Opposition's cynicism, it is surprising that they have not ventured their arm a bit more. They ran no fewer than 29 different employment and training schemes between 1979 and 1997. Those schemes still left the unemployment figures higher when the Conservatives left office, whereas the new deal is probably the most ambitious, concentrated and structured programme for the lifetime of a Government that has been put forward since the second world war.

Tory policies were designed to massage the jobless statistics and put people on schemes of little value. The unemployment unit of Youth Aid has described the way in which the Tories cynically encouraged many hundreds of thousands of unemployed people into economic inactivity and long-term reliance on breadline benefits. That should be contrasted with what we have done with the new deal. By Easter this year, 300,000 people had joined the new deal, including 250,000 young people. Nearly 60,000 young people are already in jobs and a further 40,000 are in other training and education options. In Blackpool, more than 200 people had left the gateway to start jobs by this Easter.

We saw many crocodile tears from the right hon. Member for Wokingham about manufacturing industry, but the new deal has also been of key importance in

[Mr. Marsden]

service industries. That is crucial in my constituency. Government initiatives to improve the quality and availability of training are crucial to competitiveness in the tourist industry. The flexibility of the new deal on seasonal employment and its training and employment options—I pay tribute to my right hon. Friend the Minister for his response to this issue—has been especially beneficial. The British Hospitality Association estimates that the new deal could create between 7,000 and 10,000 jobs in the tourism sector. In my constituency, a further education institute is gearing itself to become a centre of excellence for tourism-related qualifications. The good work that I have seen at Blackpool and Fylde college is a good example of that.

The April issue of Youth Aid's "Working Brief" gives a detailed comparison of the job figures and the labour trends. It states that the new deal figures enable

"us to identify that the progress of New Deal eligible young people into jobs from the Jobseeker's Allowance count has been stronger than that for either older long-term unemployed or than shorter-term unemployed people of whichever age.

Furthermore, this strong progress into jobs has not been at the expense of the older, long-term unemployed, as had been feared."

I have described some of the specific, noticeable and measurable successes that we have already had with the new deal. The Conservatives have no answer to that. They have no answer to the criticisms that have been made of their previous policies for business and employment. We have been told several times this week, as they have got deeper and deeper into trouble, that their policies represent a seamless web with those of the great leader, but—in the 20th anniversary year of Thatcherism—that web has become hopelessly tangled and formless. It is like the cobwebs on the tables of Miss Havisham's wedding feast, but now the jilted bride is not Charlotte Rampling but she who would once be obeyed. It is eight years since the Conservatives did the dirty deed, but they still cannot decide whether they have come to praise Caesar or to bury her. They can try as much as they like this afternoon to run from the sterile legacy of Thatcherism, but they cannot hide from the statistics over which they presided and which we have referred to this afternoon. Those statistics show how unwise they were to table this motion in the first place.

6.30 pm

Mr. Jeffrey Donaldson (Lagan Valley): I shall be brief, as I know that we are reaching the end of the debate. I shall begin by discussing the new deal in Northern Ireland.

I have been worried about the closure of a number of the action for community employment schemes, which have benefited many of the deprived areas that have suffered as a result of 30 years of terrorist violence. However, I welcome today's announcement by the Under-Secretary of State, Northern Ireland Office, with responsibility for education and training. He has made available a funding package of £9.6 million to strengthen the delivery arrangements for the new deal in the Province and to underpin the transition from the ACE schemes to the new deal. I welcome that, both for my constituents and for people in many parts of Northern Ireland. There had been concerns about the inadequacies of the new deal arrangements in comparison with the very valuable community services provided by ACE schemes. I hope that the additional money will help the transition and that it will enable the valuable work done under many of the ACE schemes to continue under the new deal arrangements.

The available statistics cover only the period up to the end of January. They show that almost 9,000 young people in Northern Ireland had taken up the opportunities provided by the new deal scheme by that time, and I hope that many of them will go on to find long-term employment.

However, the problem in Northern Ireland is that the level of unemployment remains very high. The problem is especially acute in those parts of the Province that have suffered from a lack of investment. Attracting new industry is very high on the agenda when it comes to tackling unemployment in Northern Ireland. I encourage the Government to give even greater priority to the need to attract that investment.

In addition, I hope that the Government will provide significant and adequate support for local businesses. Most of the new jobs being provided in Northern Ireland are in small, indigenous businesses that want to expand but are finding it difficult to do so. Especially heavy is the impact of increasing transport costs, on which industry—and especially small business—in Northern Ireland is so dependent. I shall return to that problem in a moment.

Dependence on service-related industries in Northern Ireland is too high, which is why it is important, in the attempt to attract new industry, to bolster the manufacturing sector and make it even more competitive. There have been significant job losses in the industrial sector, not helped by the recent demise of Mackies, one of the largest and most renowned businesses in Belfast. I hope that something can be done to rescue that firm, especially given that it is located in a part of Belfast with very high unemployment.

Economic growth and manufacturing output in Northern Ireland have slowed in the past couple of years. It is important that the Government, in helping business to overcome its difficulties, recognise the damage that increased fuel duties do to industry. That is especially evident in a region such as Northern Ireland, where transport is so vital to the ability to compete in the wider market place. In Northern Ireland, £100 will purchase about 139 litres of diesel, compared with the 229 litres that it will buy in the Irish Republic, our nearest neighbour. That shows how difficult is the problem faced by road hauliers and industry generally in Northern Ireland.

I hope that the Government will do something to address that problem. Northern Ireland is the only part of the United Kingdom that has a land boundary with another European Union member state. We are working in a competitive environment, and crippling transport costs blunt our ability to compete. We will face job losses in the coming weeks, particularly in the haulage industry, unless the Government address spiralling fuel costs.

Let me turn to the impact of devolution on our ability to attract inward investment to all regions of the United Kingdom. My party is concerned that devolved Assemblies in Northern Ireland and Wales and a Parliament in Scotland may mean increased competition

between the regions of the UK. That competition will affect not only the three regions with devolved assemblies; it will affect the English regions too.

The Minister and his colleagues are working to establish liaison between the regions on inward investment, and I should like to know what progress has been made. The last thing the UK needs is English, Welsh and Northern Ireland Assembly members and Ministers going to Europe and the rest of the world to compete with each other, spending British taxpayers' money as they try to win jobs for different regions.

That would be a desperate waste of resources, and I hope that the Minister will address liaison and co-operation between the regions of the UK. We are not against competitiveness, but money must not be wasted as we go after the same jobs for different regions of the UK.

6.37 pm

Mr. Jonathan Shaw (Chatham and Aylesford): I have three minutes, so shall make my comments brief. I want to offer two examples from my experience of working with young unemployed people who are among the most vulnerable members of our community—those who have left care.

I had some experience of the 29 failed employment programmes run by the previous Government. In one case that sticks vividly in my memory, we had worked for many months with a young person who wanted to develop a career in retail. We arranged for him to start on a Government-financed programme. It involved four days a week at work and one day a week in college. After three weeks, he gave up because all he had done was wash cars on a garage forecourt. He had not learned about customer care, he had not learned about stock control; he had not learned about marketing. He did not tell us what had gone wrong because he did not want to let down his carers or his social worker. The problem was that we had no staff to find out or monitor the quality of that placement, and that was often the case. There was no investment, so there is no comparison between that example and the new deal.

I recently met a young man who had been taken on by a construction company. He had been unemployed for more than two years. He had lost confidence and he was up to his neck in debt. Staff who had worked closely with the construction company were impressed by the support given. My right hon. Friend the Minister for Employment, Welfare to Work and Equal Opportunities knows all about the revolution that has happened among jobcentre staff in my constituency and how well they work with employers.

That young man asked me why new deal had not been brought in years ago. We all know the answer. What a contrast young people will see come the next general election. We have a minimum wage, a new deal and fairness at work. Compare that with £1 an hour, hire and fire and washing cars. What a difference between us and the Tories.

6.40 pm

Mr. Damian Green (Ashford): It has been instructive to listen to most of the speeches from Labour Members this evening, starting with the Secretary of State, since many of them have wanted to talk about anything other than the Government's record on industry and employment. There are honourable exceptions, however, such as the right hon. Member for Birkenhead (Mr. Field) and my near neighbour in Kent, the hon. Member for Chatham and Aylesford (Mr. Shaw). Kentish Members are always good value. Characteristically, also, we have had from the Liberal Democrat Benches simply a feeble echo of some of the Government's less good arguments.

I will speak about the new deal because the Government's miserable industrial record has already been comprehensively demolished by my right hon. Friend the Member for Wokingham (Mr. Redwood) and, in the specific context of the road haulage industry, by my hon. Friend the Member for North Shropshire (Mr. Paterson) and the hon. Member for Lagan Valley (Mr. Donaldson).

There is a link between the two halves of this debate and it is betrayal. Just as the Government are betraying British manufacturing industry with higher taxes and regulations, so they are betraying the young unemployed with a crude, ineffective and expensive new deal programme.

The Minister and I have spent the day trading statistics. The House should beware of any new deal figures. There is a most instructive article in today's *Financial Times* which shows that the basis on which the new deal is calculated is bogus. The success that the Government claim for the new deal is those who go into unsubsidised jobs. An article that comes from a briefing from the Minister's own Department reveals that the category of those who have found jobs include people who got a job on their own initiative after being invited to the new deal interview but before the interview happened, those who got jobs at the interview but without real help and—this is a good one—those who have been working full-time and claiming fraudulently but have used the interview invitation to announce that they have just found work, as well as those for whom the new deal has proved a genuine success. The Department admits that it cannot split the figures into these different categories, so it just claims all those categories as successes for the new deal.

The Minister claims that youth unemployment has come and is coming down, and I can half agree with him. Youth unemployment has fallen consistently in the 1990s. I hope that he will agree with me why it has fallen: it is because the previous Government cut business taxes and business regulations and made Britain the best place for inward investment. The previous Conservative Government made it easy for businesses to create jobs. The result was that, between April 1993 and May 1997, unemployment among young people fell by 240,000. That is a significant figure, because the Government's target for the new deal job placements, assuming they can ever measure them correctly, is 250,000. That reveals that the Conservative Government achieved the target of creating 250,000 or so new jobs for young people without extracting billions of pounds in extra taxes from productive industry.

I would not want to say that the new deal is making no difference. During the last Conservative Government, the monthly average for young people moving off the unemployment count was 33,000. Since the new deal has been introduced, the figure has been just under 20,000. The new deal has made a difference: it means that fewer

[Mr. Damian Green]

young people are moving off the unemployment count every month than did so under the Conservative Government.

Mr. Ian Bruce: My hon. Friend will have heard me challenge the Secretary of State on the International Labour Organisation figures, according to which unemployment among young people has increased by 12,000. He prefers table 11, which shows the claimant count. According to it, over the past year, unemployment has decreased by 14,000, but it does not say that the 36,950 on non-employment options who have been taken off the claimant count need to be added in. In fact, unemployment, with that added back in, has increased by 22,000 under the claimant count figures, too.

Mr. Green: That is a valid point. The Government say that their preferred measure of unemployment is that of the ILO, under which youth unemployment has gone up under the new deal. As my hon. Friend said, if we include the real figures under the claimant count—the figure that the Government suddenly prefer—it has gone up, too. Their argument is bogus.

I do not claim that fewer people are leaving the unemployment register entirely because of the new deal. It is mostly because the Government are making it more difficult to employ people. The point is that the new deal is not solving the problem. The Government are trying to deny failing to meet their basic pledge. We have had arguments about statistics, not least from the Liberal Democrats. In such circumstances, I always feel that, to get to the heart of the Government's policy, one should examine their pledge card. I see that they have a new one which announces flatly that youth unemployment has been halved with the new deal. That is simply and flatly untrue. General youth unemployment has risen since the new deal was introduced. The Government have already broken one of their five pledges. I am sure that the electorate will take note of that in next week's local elections and in all future elections.

There are more subtle ways in which the new deal is failing. It is not making young people more employable. Both parties want to make young people more employable. Training and education are central to the new deal philosophy, but what happens to those who take the training option? On today's figures, two thirds do not find a job at the end of it. They will stop coming if they do not do so. Today's new deal figures show that 34 per cent. of those who entered it went to destinations unknown to the Department. Even if they found jobs, the new deal was so useless that they could not be bothered to pick up the phone to tell their employment adviser, "Thanks for finding us a job."

More damningly, 13 per cent. have gone straight back on to welfare. With great respect to the right hon. Member for Birkenhead, this is not welfare to work; for too many young people, the new deal is welfare to welfare. By the end of February, of those on it the longest—the first cohort from January 1998—3 per cent. were still on the gateway, which is meant to last four months, and 12 per cent. were on follow-through. That means that they had been all the way around and back again. I have to tell the right hon. Gentleman that that is not abolishing long-term unemployment, but redefining it.

The Government know that business is becoming increasingly disillusioned. Allied Carpets pulled out of participation after recruiting only 30 people, whom it regarded as not suitable. Marks and Spencer took on only a third of the number that it had hoped for. Dixons sent a member of staff to train 200 personal advisers, but has so far recruited only 12 people through the new deal.

There is one great success for new deal recruitment. The most that any business has been able to find is 80 trainees, but the Employment Service has managed to find 289 specifically to administer the new deal. I submit that those are the only 289 positions that can be ascribed to it.

Young people are disillusioned. Last month, the *Evening Standard* quoted a new deal participant from Hackney, who said:

"They knew next to nothing about my field—they'd advise me what companies I should try by looking through the Yellow Pages . . . In the end I found a job myself and the company that took me on did so without having anything to do with the New Deal."

Ms Ward: Will the hon. Gentleman give way?

Mr. Green: I am, as ever, tempted by the hon. Lady, but, with only two minutes left, I must reject her on this occasion.

There is also the question of the cost per job. I calculate that it is £11,000; the Government claim that it is £1,000. The Minister and I can argue about that, so I shall turn to prose more elegant than that in my pamphlet, "The Four Failures of the New Deal", which is available from the Centre for Policy Studies. Matthew Parris makes the point better than I did. He made inquiries after I asked the Secretary of State about this and found that the £1,000 price tag

"represents the cost of helping the successful job-finder into the job—but takes no account of what is spent on those who did not get jobs."

In other words, it is much more expensive, and others have made the same calculation.

Hon. Members have asked what we would do instead. We would have a less crude, more targeted programme aimed at areas of chronic high unemployment, particular groups in society and disadvantaged individuals. That would not only be a more intelligent, but a more compassionate way to spend public money. We do not measure our compassion by how much taxpayers' money we can waste on useless schemes.

The Minister will no doubt assume that he will be re-elected; I assume that he will not be. If he is able to, will he continue the new deal beyond 2002? If the answer is yes, how will he find the next £5 billion? The Government have not told us that yet.

The new deal is a perfect symbol of new Labour. It is overhyped, overpriced, overrated and it is underperforming. It is failing young people, failing business and failing the taxpayer. I urge hon. Members to vote in favour of this motion this evening to register a much-needed protest.

6.50 pm

The Minister for Employment, Welfare to Work and Equal Opportunities (Mr. Andrew Smith): The hon. Member for Ashford (Mr. Green) chided us on who had spoken about what. I found it highly significant that

it was not until he stood up to speak that any of his hon. Friends offered any criticism of the new deal. They are obviously no more convinced by the statistics that he has paraded all day than we are. The truth of the matter could hardly be better summarised than by what has happened to long-term youth unemployment in the hon. Gentleman's constituency in the past two years. It has fallen by 78 per cent.

The right hon. Member for Wokingham (Mr. Redwood) could not tell us whether he would abolish the minimum wage and whether he agreed with the shadow Chancellor that the Conservatives would put it on hold. He could not say whether they would abandon the new deal or whether they would end the operational independence of the Bank of England. He, too, omitted to mention the fall in long-term youth unemployment in his constituency in the past two years. He is not doing quite so well as the hon. Member for Ashford, but the long-term youth unemployment in his constituency fell by 59 per cent.

I welcome the supportive remarks made by the hon. Member for Hereford (Mr. Keetch) on what we are doing to tackle the skills and research challenge that Britain faces as a consequence of the Conservative years. I welcome, too, his measured remarks and his support for the new deal. I hope that he will not mind my chiding him by saying that I would have welcomed his support for the windfall tax, which paid for the new deal.

My right hon. Friend the Member for Birkenhead (Mr. Field) congratulated us on four counts on the new deal. I congratulate him on the role that he played in government in introducing the programme. As he said, it is challenging the culture of long-term unemployment. It represents a decisive shift to a proactive welfare state. It is a more effective and humane way of countering claimant fraud, and it is unleashing real enterprise and initiative among staff and other partners who are implementing the programme.

I shall certainly consider each of my right hon. Friend's suggestions seriously. We are already acting on the points that he mentioned. Rather than thinking of the new deal as a mark 1 or mark 2 of welfare reform, we see it as developing and improving all the time. My right hon Friend argued that people who came back on to the programme within a year should go straight back on an option. I assure him that we are already considering the most appropriate form of follow-through support to ensure that those who really have tried to find work but have not done so receive the continuity of support that they need. We shall ensure that those who are trying to work the system do not get the sympathy from us for doing so that they got from the Conservative party when it was in government.

My right hon. Friend the Member for Birkenhead referred to shortening the gateway. Of course, we are already intensifying the gateway, not least with the £3.5 million announced in the Budget to provide more intensive support. That brings to £5 million the amount of money made available locally for innovation to improve the rate at which young people move through the gateway and into jobs.

My right hon. Friend argued for delegated budgets for local offices and referred explicitly to driving licences. I am pleased to assure him that I issued instructions this week for a much more permissive rule to be operated to allow more young people to get a driving licence through the new deal, where that can get them into a job.

Mr. Bercow: Does the right hon. Gentleman deny that the head of the Government's own skills task force, Chris Humphries, said in a recent letter to the *Evening Standard*—*[Interruption.]*—This might be uncomfortable for the right hon. Gentleman, but that is tough. Chris Humphries said:

"Expectations that the Government raised are not being met."

Does the right hon. Gentleman deny that that individual made that statement in a newspaper?

Mr. Smith: I have never seen that comment in my life. However, the promises that we made before the general election are promises that are being kept. Our promises are being kept on jobs, on welfare reform and on building a strong and competitive economic base in place of the boom-and-bust failures that we saw during the years of Conservative government.

The hon. Member for North Shropshire (Mr. Paterson) spoke with great passion about the situation facing road hauliers. He asked that figures on the competitiveness of the industry be placed in the Library. I shall do what I can to ensure that that is done. He asked about the future programme for the forum. I understand that a further meeting will be held next month, at which I am sure the issues that he raised will be discussed. I shall ensure that a copy of *Hansard* is drawn to the attention of the forum.

My hon. Friend the Member for Blackpool, South (Mr. Marsden) summed up the matter when he said that the new deal was the most ambitious, concentrated and structured programme of help that has ever been available to young unemployed people in this country. With the figures announced today, we now have more than 61,000 young people in sustained jobs through the new deal and more than 58,000 young people taking up other training and work experience options—about 120,000 young people helped forward in their lives, thanks to the new deal. As my hon. Friend the Member for Chatham and Aylesford (Mr. Shaw) said, the new deal is a quality programme which is making a real difference in the quality of the lives of young people who have been neglected and ignored.

The hon. Member for Lagan Valley (Mr. Donaldson) spoke of the situation in Northern Ireland. I am pleased to reassure him that, a week ago, I met community and voluntary sector representatives from Northern Ireland to address the concerns that he raised. I welcome the support that he gave for today's announcement of extra funding help for the transition in Northern Ireland. We all know that Northern Ireland has been blighted for a long time by some of the worst unemployment in the country, and that has undoubtedly aggravated the sectarian conflict there. If the new deal and the Government's support for a strong economy and a competitive industry can help to play their part in resolving those sectarian differences and sustaining peace, that will be welcomed by the whole House.

We have heard no alternatives to the Government's policies from the official Opposition, but plenty of evidence that the Opposition's credibility is at rock bottom. As my hon. Friends have told us from their experiences in their constituencies, Labour's policies are working, and more of our constituents are working.

[Mr. Smith]

That has happened because we have kept our promises—governing, as we promised, to equip Britain for a new world economy. The sound monetary framework that we have established, the tough decisions that we took on public finances, our cuts in corporation tax, our reforms to make work pay, the new deals, the raising of education standards and the investment in skills and science are all putting in place strong foundations for an enterprising and competitive economy, in which flexibility is combined with fairness.

Desperate though the Opposition are to find bad news, the truth is that we have more people in work than ever before. Since the general election, the ILO measure of unemployment has been down in every region. The claimant count has been down in every region since the general election. Long-term unemployment is down in every region. Long-term youth unemployment is down in every region; we achieved lower long-term youth unemployment in 18 months than the Conservatives could manage in 18 years. Under the Tories, Britain had a post-war record for the number of people out of work; under Labour, there is an all-time record—

Mr. Patrick McLoughlin (West Derbyshire) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 115, Noes 287.

Division No. 159] **[7 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, Rt Hon James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Butterfill, John
Cash, William
Chope, Christopher
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton-Brown, Geoffrey
Cormack, Sir Patrick
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Faber, David
Fallon, Michael
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hayes, John
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howarth, Gerald *(Aldershot)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Madel, Sir David
Malins, Humfrey
Maude, Rt Hon Francis
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Robathan, Andrew
Roe, Mrs Marion *(Broxbourne)*
Rowe, Andrew *(Faversham)*
Ruffley, David
Shepherd, Richard
Simpson, Keith *(Mid-Norfolk)*
Spicer, Sir Michael
Spring, Richard
Steen, Anthony
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Willetts, David
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Mr. Oliver Heald and
Mr. Tim Collins.

NOES

Abbott, Ms Diane
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Ashdown, Rt Hon Paddy
Ashton, Joe
Atkins, Charlotte
Austin, John
Barnes, Harry
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Benton, Joe
Bermingham, Gerald
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brown, Rt Hon Nick *(Newcastle E)*
Buck, Ms Karen
Burgon, Colin
Burnett, John
Butler, Mrs Christine
Byers, Rt Hon Stephen
Cable, Dr Vincent
Caborn, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Charles *(Norwich S)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clelland, David
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cotter, Brian
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Cov'try S)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ennis, Jeff
Fearn, Ronnie
Field, Rt Hon Frank
Fitzpatrick, Jim
Follett, Barbara

Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Galloway, George
Gapes, Mike
Gardiner, Barry
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Healey, John
Heath, David *(Somerton & Frome)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Keetch, Paul
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Charles *(Ross Skye)*
Khabra, Piara S
Kidney, David
Kilfoyle, Peter
King, Ms Oona *(Bethnal Green)*
Kirkwood, Archy
Kumar, Dr Ashok
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall–Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Michie, Bill *(Sheff'ld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moran, Ms Margaret
Morgan, Ms Julie *(Cardiff N)*
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Eddie
O'Neill, Martin
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Radice, Giles
Rammell, Bill
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Rendel, David
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Salter, Martin
Sarwar, Mohammad
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Stevenson, George
Stinchcombe, Paul
Stoate, Dr Howard
Stott, Roger
Strang, Rt Hon Dr Gavin
Straw, Rt Hon Jack
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Matthew *(Truro)*
Temple–Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Tonge, Dr Jenny
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith
Ward, Ms Claire
Wareing, Robert N
Whitehead, Dr Alan
Williams, Alan W *(E Carmarthen)*
Willis, Phil
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wise, Audrey
Wood, Mike
Worthington, Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Jim Dowd and
Mr. David Jamieson.

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 257, Noes 123.

Division No. 160] **[7.13 pm**

AYES

Abbott, Ms Diane
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Atkins, Charlotte
Austin, John
Barnes, Harry
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Benton, Joe
Bermingham, Gerald
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradshaw, Ben
Brown, Rt Hon Nick *(Newcastle E)*
Buck, Ms Karen
Burgon, Colin
Butler, Mrs Christine
Byers, Rt Hon Stephen
Cabom, Rt Hon Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Cann, Jamie
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clarke, Charles *(Norwich S)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clelland, David
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cooper, Yvette
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Cov'try S)*
Curtis–Thomas, Mrs Claire
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Doran, Frank
Drown, Ms Julia
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ennis, Jeff
Field, Rt Hon Frank
Fitzpatrick, Jim

Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Galloway, George
Gapes, Mike
Gardiner, Barry
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hoey, Kate
Hoon, Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Ingram, Rt Hon Adam
Jackson, Ms Glenda *(Hampstead)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kelly, Ms Ruth
Kemp, Fraser
Khabra, Piara S
Kidney, David
Kilfoyle, Peter
King, Ms Oona *(Bethnal Green)*
Kumar, Dr Ashok
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
McAvoy, Thomas
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McIsaac, Shona
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall–Andrews, Robert
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Michie, Bill *(Sheffld Heeley)*
Milburn, Rt Hon Alan
Miller, Andrew
Moffatt, Laura
Moran, Ms Margaret
Morgan, Ms Julie *(Cardiff N)*
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Eddie
O'Neill, Martin
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Radice, Giles
Rammell, Bill
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Reid, Rt Hon Dr John *(Hamilton N)*
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Salter, Martin
Sarwar, Mohammad
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheldon, Rt Hon Robert
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Spellar, John
Starkey, Dr Phyllis
Stevenson, George
Stoate, Dr Howard
Stott, Roger
Strang, Rt Hon Dr Gavin
Straw, Rt Hon Jack
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Temple–Morris, Peter
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith
Ward, Ms Claire
Wareing, Robert N
Whitehead, Dr Alan
Williams, Alan W *(E Carmarthen)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wise, Audrey
Wood, Mike
Worthington, Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. David Jamieson and Mr. Jim Dowd.

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, Rt Hon James
Ashdown, Rt Hon Paddy
Atkinson, Peter *(Hexham)*
Baldry, Tony
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burnett, John
Burns, Simon
Butterfill, John
Cable, Dr Vincent
Cash, William
Chope, Christopher
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton–Brown, Geoffrey
Cormack, Sir Patrick
Cotter, Brian
Cran, James
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Dorrell, Rt Hon Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Faber, David
Fallon, Michael
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fox, Dr Liam
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hayes, John
Heath, David *(Somerton & Frome)*
Heathcoat–Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howarth, Gerald *(Aldershot)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Keetch, Paul
Kennedy, Charles *(Ross Skye)*
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Kirkbride, Miss Julie
Kirkwood, Archy
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, Oliver
Lewis, Dr Julian *(New Forest E)*
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Madel, Sir David
Malins, Humfrey
Maude, Rt Hon Francis
May, Mrs Theresa
Moss, Malcolm
Nicholls, Patrick
Norman, Archie
Paice, James
Paterson, Owen
Pickles, Eric
Prior, David
Randall, John
Redwood, Rt Hon John
Rendel, David
Robathan, Andrew
Roe, Mrs Marion *(Broxbourne)*
Ruffley, David
Shepherd, Richard
Simpson, Keith *(Mid–Norfolk)*
Spicer, Sir Michael
Spring, Richard
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Matthew *(Truro)*
Tonge, Dr Jenny
Trend, Michael
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond

Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Winterton, Mrs Ann *(Congleton)*
Winterton, Nicholas *(Macclesfield)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Noes:
Mr. Oliver Heald and
Mr. Tim Collins.

Question accordingly agreed to.

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the actions of the Government to reverse the industrial decline and the destruction of jobs, not least for young people, that characterised the situation while the Opposition formed the Government; welcomes the creation of over 400,000 jobs since the last election; notes the contrast between this situation and that of the Tory slow-down of 1989 to 1993 when over a million manufacturing jobs were lost; welcomes the achievements of the New Deal and its contribution to the 35 per cent fall since January 1998 in the number of young people unemployed for six months or more; believes that the sound economic policies of this Government are a better way to support industrial success and job creation than the interest rates at 15 per cent, budget deficits soaring, high long-term interest rates and boom and bust economics that were the previous Government's policy; and welcomes the strategy set out in the Competitiveness White Paper for encouraging enterprise, investment and innovation as the right way forward for Britain.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

REPRESENTATION OF THE PEOPLE

That the draft European Parliamentary Elections (Northern Ireland) (Amendment) Regulations 1999, which were laid before this House on 13th April, be approved.—*[Mr. Robert Ainsworth.]*

Question agreed to.

VALUE ADDED TAX

Ordered,

That the Value Added Tax (Amendment) Regulations 1999 be referred to a Standing Committee on Delegated Legislation.—*[Mr. Robert Ainsworth.]*

Football (Offences and Disorder) Bill [*Money*]

Queen's recommendation having been signified—

Motion made, and Question proposed,

That, for the purposes of any Act resulting from the Football (Offences and Disorder) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in the sums payable out of money so provided under any other Act.—*[Mr. Robert Ainsworth.]*

7.25 pm

Mr. David Maclean (Penrith and The Border): I feel that, in the case of all Bills, when a money motion has been tabled, the Minister should say a few words about the financial effects, and should tell the House whether the Government anticipate any changes since the publication of the explanatory notes. I do not intend to delay the House for long, but I feel that we should be told about the financial consequences of Bills, even Bills that have received cross-party support as this Bill has.

I note that, according to the Government's estimate, the total additional administrative expenditure will amount to £100,000 per annum. I believe that that is to pay for the extra civil servants who will be required to administer international football banning orders—*[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the right hon. Gentleman, but I must call the House to order. This item of business is as worthy of consideration as any other.

Mr. Maclean: Thank you for your protection, Mr. Deputy Speaker.

The Government also calculate that the requirement to report to police stations, and the requirement for the submission of passports, will result in some additional costs, but they say in their explanatory notes that they expect those costs to be minimal. I go along with their forecast, but it would be helpful to hear how much the Government expect the figure to be, if they have a figure in mind. What is "minimal"? Is it less than £10,000, or less than £50,000?

I would also like to know the effects of the banning orders. There will be slight additional costs for the Crown Prosecution Service and the courts. Again, the Government say that the costs are likely to be minimal, but it would be helpful to know whether "minimal" means less than £100,000, less than £50,000 or less than £10,000. Of course I do not expect to be given a precise figure; it would be unreasonable to ask for one.

I apologise to the Minister and to my hon. Friends if I am wrong about this, but I seem to remember that, when we debated the Bill, a number of Members on both sides of the House spoke of the importance of locking up more of these hooligans. They said that the Bill would catch some people who are not being caught now, and the House was in quite a gung-ho mood about the number of people who would be locked up. Perhaps that was extreme, or optimistic, language; perhaps only some, or indeed none, of those people will actually be locked up. What I need to know from the Minister is this: is it possible that more people will be imprisoned as a result of the Bill? If so, we shall face different costs.

[Mr. Maclean]

I have no objection to putting more people in prison. I espoused that policy, quite strongly, when I was a Minister. Indeed, I am pleased to say that I helped to contribute to the increased number of people in prison. There has been a record fall in crime—a record since the war—and I am proud that that is continuing. However, if a few more vicious hooligans are put in prison, we shall face greatly increased costs. I know that prison costs are often exaggerated, but it could mean £50,000 per criminal, or a minimum of £30,000 in the case of lower-category offenders.

If the Government have more detailed figures, we would like clarification of the financial effects of the Bill as set out in the explanatory notes. We also want to know whether the Government expect to incur extra imprisonment costs, tagging costs or any other costs relating to the sentencing and storage of the additional number of criminals who may be convicted.

7.29 pm

The Parliamentary Under-Secretary of State for the Home Department (Kate Hoey): The right hon. Member for Penrith and The Border (Mr. Maclean) has rightly raised some points about the Bill, which I hope can be dealt with quickly. The Bill originated as a private Member's Bill tabled by the hon. Member for West Chelmsford (Mr. Burns), a member of the right hon. Gentleman's party. It has had its Second Reading, when it received broad support from both sides of the House, and we hope that it will go into Committee next Wednesday. It cannot go further unless this money motion is passed, and I hope that hon. Members will support it.

The Bill is intended to deal more effectively with the threat of disorder from those convicted of football-related offences. Banning orders are issued on the instruction of the court following application by the prosecutor on behalf of the police. Additional costs are involved, but they will be absorbed in the criminal justice system. As the right hon. Gentleman well knows, the Prison Service always manages to accommodate extra costs arising from the decisions of the court.

It is worth pointing out that any increased costs incurred by the Crown Prosecution Service would be as a result of preparing a greater number of applications. Those costs are expected to be minimal. We shall go into more detail on what minimal means. As a former Home Office Minister, the right hon. Gentleman should know what minimal means in the overall civil service jargon.

It is anticipated that the restrictions order authority will require an additional four full-time members and one part-time member of staff to deal with the administrative work. The authority's expenses will be met by the Secretary of State under section 21(8) of the Football Spectators Act 1989. The additional administrative costs are anticipated to be approximately £100,000 per annum.

Mr. Edward Leigh (Gainsborough): Will the Minister give way?

Kate Hoey: I shall give way to the hon. Gentleman, because I am well aware that if I do not, he will probably make a speech. I know that we have 45 minutes, but I think that hon. Members on both sides probably do not want this debate to take 45 minutes.

Mr. Leigh: The promoter of the Bill told the House on Second Reading that he intended to table a provision at a later stage to allow the Government to order the surrender of passports of those as yet not convicted of an offence. Does the Minister think that any extra costs could arise as a result of that provision if it were included in the Bill? What will she do about a money resolution when that provision is introduced?

Kate Hoey: As the hon. Gentleman well knows, that has not yet been finally decided, but a decision will be made before next Wednesday. I am sure that the hon. Member for West Chelmsford will make that decision. If that provision were to be included in the Bill, some additional costs would be involved. At the moment it is not in the Bill, so it is not affected by this money motion.

I hope that my explanation is satisfactory, and that the right hon. Member for Penrith and The Border is satisfied. This measure will be given full consideration in Committee, and I ask hon. Members to support it tonight.

Question put and agreed to.

Vaux Brewery

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Robert Ainsworth.]*

7.33 pm

Mr. Chris Mullin (Sunderland, South): This is an unhappy tale: a parable for the fate that has overtaken so much of our manufacturing industry during the past 30 years. It is about a clash of cultures. On the one hand is a long-established, respected company managed by successive generations of the same family, who take the old-fashioned view that their responsibilities extend to their work force and to the public interest as well as to their shareholders. On the other hand are the City institutions, which acknowledge only an obligation to make for themselves and their clients the fastest buck in the shortest possible time, regardless of other considerations.

The struggle at Vaux brewery has been a long one. It was a boardroom battle worthy of a television soap, during which the company has lost its chief executive, its finance director and, eventually, its long-serving chairman. The ending is an unhappy one, because the barbarians have triumphed.

My main purpose tonight is not to influence events—it is probably too late for that. Instead, I intend to place on record a summary of the facts, and to draw attention to a number of issues that arise from what has happened at Vaux, on which I invite the Government to comment. Before doing so, I must pass on the apologies of my hon. Friend the Member for Sunderland, North (Mr. Etherington), in whose constituency the brewery is based. He is unavoidably detained elsewhere. However, I welcome a number of my hon. Friends from the region.

Vaux is one of north-east England's oldest and most respected companies. The brewery employs about 600 people in Sunderland, many of whom are my constituents, and more than 100 in Sheffield. Some years ago, the company successfully diversified into hotels. Before long, its Swallow hotel chain became the mainstay of the group. It is one of the few major companies whose head office remains in the north-east, although for how long remains to be seen.

Vaux has a loyal work force and, at the brewery, a management who are on first-name terms with most of their employees. Industrial relations are good; profits steady, if not spectacular; dividends have increased in each of the 27 years in which Sir Paul Nicholson was chairman. Today, earnings and dividends are more than 10 times higher than they were when Sir Paul took over, in 1971. So let no one say that it is a failing company. As Britain's brewing industry increasingly came under the sway of four big companies, however, Vaux came under pressure from the City to get out of brewing and concentrate instead on hotels.

In June 1998, soon after his 60th birthday, Sir Paul Nicholson stepped down as chief executive, although he stayed on as chairman. A new chief executive, Martin Grant, formally of Allied Domecq, was chosen to replace him. I have met Mr. Grant. He has done enormous damage, but he is charming and plausible, and it is always disappointing that one's demons do not conform to the stereotype.

From the outset, the signs were ominous. Mr. Grant made it clear that he would not be moving to the north-east, despite the fact that Swallow's headquarters is based there. Within a short time of taking over, he advised the company that it should get out of brewing. The board reluctantly agreed. It did, however, express a preference for the company's brewing interests to be sold as a going concern.

At that point, a ray of hope appeared. A management team, led by Frank Nicholson—the joint managing director, and brother of Sir Paul—made a bid for the breweries and certain of the pubs owned by Vaux. Sir Paul very properly took a back seat, in order not to be seen to favour his brother's interests. The management buy-out should have been the solution that satisfied everyone.

Initially, the main fear in Sunderland was that the management would be outbid by one of the four breweries, closed and asset stripped. However, on 20 November 1998—the deadline—we found to our pleasant surprise that none of the big four had made a bid for the entire company, which appeared to leave the field clear for the management buy-out. We had reckoned, however, without Mr. Grant. It soon became clear that Mr. Grant was determined to resist the management buy-out and opt instead for a scorched-earth policy.

In January, Mr. Grant submitted a paper to the board arguing that Vaux was worth £24 million more closed down and asset-stripped than were it to be sold as a going concern. His figures were clearly preposterous, and his advice was rejected. On 15 January, the board opted instead to open negotiations with Frank Nicholson and his management team.

Mr. Grant, however, did not accept defeat. He and the finance director, Mr. Neal Gossage, went behind the backs of the board and bad-mouthed the proposed management buy-out to City institutions with major holdings in Vaux. On 8 February, they were summoned by the board and sacked; but the damage was done.

Following the departure of Messrs Grant and Gossage, a spate of hostile stories began to appear in City pages. In March, the advisers appointed by the company reported back to the board, and it became clear that they were split. One of them was prepared to recommend the management buy-out, but the other declined to, arguing that an extra £15 million—3 or 4 per cent. of the group's market value—could be squeezed out of the assets if they were sold off piecemeal.

I should say that this figure is extremely controversial, and varies according to who one talks to. Specifically, it appears to be based on generous assumptions about the value of the site and the costs of clearing it. Sir Paul Nicholson believes the gap to be nearer £2 million or £3 million. The board, however, by a majority rejected the management bid, and has since rejected a revised offer. Scorched earth is now the most likely outcome.

On 27 March, Sir Paul resigned in disgust. He said:

"There can hardly be any parallel where a plant closure has occurred when the board had a reasonable offer from the management."

Goodness knows, we in Sunderland have seen our share of redundancies in recent years, and redundancy is always painful. But what makes Vaux different from just about all the others in my experience is that it is not a loss-making company. The market for its product had not

[Mr. Chris Mullin]

dried up; on the contrary—I cannot stress this too strongly—it is still a profitable company, for which a reasonable offer was on the table.

What has happened is wilful vandalism. More than 700 people are about to lose their jobs, and a respected trade name is about to disappear, in the hope—that is all that it is—of adding a few pence to the share price on the basis of some extremely controversial assumptions about the likely value of the assets once everything has been dismantled.

Before we start blaming the shareholders, let me explain that there are many Swallow shareholders in Sunderland and elsewhere who are as disgusted as everyone else with what is being done in their names. The problem is that they are outnumbered by the huge block votes wielded by a handful of City institutions, one or two of which, I am sorry to say, control the pension funds of employees, who, if only they had a say, would not approve of what is being done in their name. For the record, I shall name those primarily responsible for this debacle. They are Mercury Asset Management, the Bankers' Trust and Hermes Pensions Management Ltd.—formerly the Post Office pension fund.

As I said at the outset, my principal purpose tonight is to place on record those unfortunate events, which provide a classic example of the unacceptable face of capitalism. A viable company that has traded successfully for 150 years, and for which a realistic offer is on the table, is about to be destroyed by a handful of irresponsible City institutions. Of course, muggins—the taxpayer—will be responsible for the bill for clearing up the mess that will be left behind.

I pay tribute to Frank Nicholson for the heroic efforts that he and his colleagues have made to save the business. Rarely have I come across a business man so highly regarded by those who work for him. I pay tribute too, to Sir Paul Nicholson. As group chairman and brother of Frank, he has obviously been restricted in what he could say and do, but he has left no one in any doubt publicly or privately about where he stands.

I also thank my right hon. Friend the Secretary of State, who has taken a close interest in the matter from the outset. It is a measure of the seriousness with which he takes the issue that he has chosen to reply in person to tonight's debate.

The Government have done all that could reasonably have been expected to save Vaux. From the outset, they have made it clear that a generous offer of regional selective assistance was available to help the management buy-out succeed. I would be grateful if my right hon. Friend would confirm tonight that the offer is still on the table, in the unlikely event of any new buyer coming forward.

I finish by drawing my right hon. Friend's attention to several wider issues that arise from the affair. First, it has become clear that all the major brewers are in the habit of subsidising the price of their beers to the general market by charging their own estate—that is, the pubs that they own—a premium price. It is perfectly possible, therefore, that the big four might be in a position to put small breweries such as Vaux out of business using what is surely an unfair trading practice. That is a matter in which the Office of Fair Trading may wish to take an interest. I drew it to the attention of the director general some months ago.

Secondly, it is a matter of record that the irresponsible obsession of City institutions with making the fastest buck in the shortest possible time has infected British business with a culture of short-termism, which has proved deeply damaging to our manufacturing sector. What plans does the Secretary of State, no doubt in consultation with the Chancellor, have for addressing the culture of short-termism in the City?

Thirdly, it is also a matter of record that pension funds do not always operate in a manner of which their members would necessarily approve, or in those members' best interests. Is the Secretary of State satisfied that pension funds are sufficiently accountable to their members?

Fourthly, I would be grateful if my right hon. Friend would say something about the assistance available from the Government to help to retrain and re-employ the people who will lose their jobs.

I address my final remarks to the board of Vaux—the Swallow Group, as it is now called. Its members will be aware that what has happened to Vaux has caused outrage in Sunderland, not least among many small shareholders. They will also be aware that the calculations on which they have based their decision to close the brewery have been challenged, not least by Sir Paul Nicholson, who was company chairman for 27 years. I put it to them that, at the very least, they owe their employees and the people of Sunderland a detailed explanation. That could best be done by calling an extraordinary general meeting of shareholders, and I invite them to do so.

Mr. Derek Foster (Bishop Auckland) *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The right hon. Gentleman was not here at the start of the debate.

7.44 pm

The Secretary of State for Trade and Industry (Mr. Stephen Byers): I congratulate my hon. Friend the Member for Sunderland, South (Mr. Mullin) on securing this debate. It is appropriate to bring this matter to the attention of the House this evening. The closure of a firm with more than 150 years of history and the prospect of some 600 job losses merits consideration on the Floor of the House.

First and perhaps most importantly, I want to emphasise that my deepest sympathies lie with those employees at the Vaux brewery, and at the Ward brewery in Sheffield, who stand to lose their jobs. Their interests have been and remain the main focus of our concern as a Government. It is a good reflection of the concern felt in the House that several right hon. and hon. Members are present to listen to the debate. My right hon. Friend the Member for Bishop Auckland (Mr. Foster)—a Sunderland lad, if I may say so—has taken a great personal interest in the matter. As a Salvationist, he has some difficulty defending the employment of people working in the brewing industry, but he represents the interests of many people in the Sunderland area so I hope that he will be forgiven in the appropriate quarter.

I also welcome my hon. Friends the Members for Tynemouth (Mr. Campbell), for Jarrow (Mr. Hepburn) for Houghton and Washington, East (Mr. Kemp) and

for Stockton, South (Ms Taylor). Between us, we have probably contributed significantly to the profits of Vaux breweries over the years, although I certainly cannot say the same about my right hon. Friend the Member for Bishop Auckland. However, it is not the quality of the beer that brings my hon. Friends to the Chamber this evening, but their concern about the future of brewing in Sunderland and, in particular, of the Vaux brewery.

I also welcome to the debate my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts), who is present because of the implications for Sheffield and the Ward brewery. I shall address the issues specifically related to the Vaux brewery, as raised by my hon. Friend the Member for Sunderland, South. In doing so, I do not wish to diminish the difficulties faced by those individuals linked with the Ward brewery. Many of the issues that I shall raise about the Vaux brewery apply also to the Ward brewery.

As my hon. Friend the Member for Sunderland, South said, many people in the north-east regret the decisions that have been taken. The history and the sequence of the events were clearly explained by my hon. Friend. As he said, I have been fully aware of the seriousness of the situation and have taken a personal interest in the developments. The Department of Trade and Industry was approached at the outset by the management team bidding to buy the breweries. At that time, it was confident that a deal could be done that would save the breweries and the jobs of those who work for them. When it first emerged that financial assistance would be required to secure the future of the breweries, the Government office for the north east quickly responded and made an initial offer of support through regional selective assistance of £1 million.

It subsequently emerged that a significantly larger sum would be needed to try to secure a positive decision to maintain the breweries in Sunderland and in Sheffield. We were prepared to increase the offer of regional selective assistance by an additional £5 million, so that a total of £6 million would be available to a new purchaser of the breweries to secure future employment opportunities. Unfortunately, a mutually acceptable basis for agreement between the Swallow Group and the management buy-out team could not be found. I am deeply saddened that it should have come to that, especially for the employees affected, their families and the wider communities in Sheffield and Sunderland. We have to assume that the Swallow Group considered that alternative courses of action represented the best interests of the shareholders, but many people will share the concerns expressed by my hon. Friend the Member for Sunderland, South about the real motives behind the decision that the Swallow Group has taken.

Mr. Derek Foster: I apologise for not being here at the beginning of the debate, but I was hosting a reception downstairs for 300 people from my old college in Oxford, for which I left Sunderland in 1957.

I congratulate the Government on their speedy and excellent action. They cannot be faulted at all, as they have done everything that has been required. However, as a very small shareholder in the firm, I do not accept that the board has acted in the shareholders' interest. Indeed, it has never put any information before the small shareholders, even though they own at least 15 per cent. of the shares—very nearly the largest tranche of the shares in the company.

I hope that my right hon. Friend will call in the board, and suggest to its members that they have a moral duty to the city of Sunderland—and to the Government, who may have to pick up the bill—to put the facts before the small shareholders, so that they can be independently assessed.

Mr. Byers: I shall deal specifically with the relationship between shareholders and the company in a few minutes, and I should be grateful if my right hon. Friend could wait until I reach that part of my contribution. I think that that will be a more helpful way in which to tackle his very genuine concern.

Although we accept that it may be difficult in the days and weeks ahead to find a new buyer for one or both of the breweries, we have not given up hope. Someone who sees the excellent facilities at the both the Vaux and the Ward breweries may well decide that buying and maintaining the breweries would represent a viable commercial opportunity.

The Government's position is very clear. If new options emerge for preserving employment at the breweries, we stand ready to provide assistance. I confirm to my hon. Friend the Member for Sunderland, South that the £6 million that we offered a few weeks ago in an attempt to secure the future of the Vaux brewery in Sunderland remains on the table. I hope that someone will come forward, in the days and weeks ahead, and use the £6 million that the Government are prepared to offer to secure the employment of the 600 or more people who presently work at the Vaux brewery.

My hon. Friend the Member for Sunderland, South raised a number of specific issues that I shall address head on this evening. First, he mentioned the possibility of anti-competitive behaviour in the beer market, and suggested that the four big brewers may be acting and exerting influence in a way that would distort that market. My hon. Friend would be absolutely right to draw that possibility to the attention of the Director General of Fair Trading. It is exactly the sort of conduct that would be appropriate for him to investigate.

My right hon. Friend the Member for Bishop Auckland and my hon. Friend the Member for Sunderland, South will be aware that it is for the director general to consider the comments that have been made, and to decide whether an investigation should be carried out. However, I am confident that the director general will look carefully at what has been said in this debate, and at any further information that may be passed to him.

My hon. Friend the Member for Sunderland, South also raised the issue of action by certain large City institutions. The Government are very much aware of how such institutions can operate, and of those institutions' powerful position in relation to matters such as this.

We are considering ways in which to make the market for investment work more effectively as part of our wider agenda of increasing growth and jobs in the UK by improving productivity. We want City institutions to recognise that a short-term approach is often neither in the interests of individual companies that might be affected at the time nor in the long-term interests of City institutions themselves or the wider UK economy.

My right hon. Friend the Member for Bishop Auckland mentioned the position of small shareholders and the possibility that the views of a minority of shareholders

[Mr. Byers]

may be ignored by those who command block votes. The 1998 pre-Budget report introduced by my right hon. Friend the Chancellor of the Exchequer discussed ways in which to bring greater transparency, responsibility and accountability to the relationship between institutional investors and the fund managers they employ. That work is being progressed right now. There are real issues about the interests and rights of small shareholders.

There are no easy or quick answers in this area. However, I can assure the House that I will talk personally to investors and fund managers about the points raised in the pre-Budget report and in the debate tonight about productivity and corporate governance.

Mr. Alan Campbell (Tynemouth): On short-termism and regional assistance, I know that my right hon. Friend shares my concern about today's decision by Siemens to invest in a plant in France rather than on north Tyneside. Quite apart from the fact that the French factory will not be making the same product as the north Tyneside one, that suggests an appalling lack of commitment by Siemens to finding a secure future for the plant and for the work force.

Regional assistance is given to companies, and I welcome the decision to reclaim £18 million from Siemens. Will my right hon. Friend make sure that if regional assistance is given—

Mr. Deputy Speaker: Order. The debate is about Vaux breweries, not regional assistance in the north-east.

Mr. Byers: I note your point, Mr. Deputy Speaker, but may I say that we are offering regional selective assistance in relation to Vaux breweries? One reason why we are able to do so from our own budget, at £6 million, is that we will, with great vigour, reclaim £18 million provided to Siemens. Siemens has failed to meet employment conditions attached to regional selective assistance and will be required to repay the money. I can give my hon. Friends that assurance. We will also look carefully into the circumstances surrounding the Siemens decision.

My hon. Friend the Member for Sunderland, South mentioned the support that might be given to individuals who may, after all our efforts, lose their jobs as a result of any decision to close the brewery. The company announced last week that redundancies would take place. Meetings have occurred between the company, the local training and enterprise council, the Employment Service and the local authority. I commend the work of Sunderland city council in endeavouring to secure the future of the Vaux brewery.

The Government office for the north east stands ready to handle sympathetically requests for assistance that emerge from those discussions. The Government have put in place special rapid response measures which can be deployed when there are redundancies on this scale. They have been highly successful in previous cases, such as those of Fujitsu and Siemens. We will do all we can to help the people affected to find new employment and will put rapid response measures in place.

Sunderland as well as Sheffield will take the heaviest blow as a result of the decision to close the brewery. We understand the difficulties that the city, its surrounding areas and, indeed, the community face. But in Sunderland there has been some good news as well as bad news recently. My hon. Friend referred to the devastating impact in Sunderland of the decline in the shipbuilding industry, but Sunderland has been reborn since the closure of that very important industry. New jobs have been found and Sunderland is still a good place to do business. We have seen with Nissan, the most productive car plant in Europe, the potential that exists in the north-east of England. Nissan is currently recruiting to build its third model in Sunderland, with 800 new jobs being created as a result. That is good news for Sunderland and is a positive endorsement of the benefits of locating there.

In other areas of manufacturing, there has been good news as well, from the manufacture of pumps and plastics to ships' cranes by Liebherr. The service sector is also set to create several hundred jobs. This is all good news, as is the fact that the Government and the European Union will continue to provide funds to promote economic regeneration.

The current north-east of England objective 2 programme contains packages of projects targeted directly at the Sunderland area which, if all taken up, could utilise over £32 million in grants from the European regional development fund and the European social fund. That is £32 million that will be used specifically for the purposes of economic regeneration and job creation.

I have no doubt that if the Vaux brewery in Sunderland is ultimately closed, it will be a major blow. No one can ignore that fact. But it is also clear that the north-east has many strengths. One of them is resilience in the face of hostility and adversity. There is a good news story to tell about the north-east. For some of us, it is a community that we joined and have been welcomed into. For many people, it is where they have spent their whole life. There are many strengths in the north-east. It is those strengths that will be called on in difficult times as well as in good times.

My Department stands ready to help the communities affected. We will not stand to one side and see communities being devastated—

The motion having been made after Seven o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at three minutes past Eight o'clock.

House of Commons

Friday 30 April 1999

The House met at half-past Nine o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

SPEAKER'S STATEMENT

9.33 am

Madam Speaker: I have a short statement to make.

On 19 April, I announced to the House that I had asked the Attorney-General to seek an authoritative ruling from the courts on whether the hon. Member for Newark (Mrs. Jones) was entitled to resume her seat, following the quashing of her conviction by the Court of Appeal. The court's determination was sought by way of an answer to the following question:

"Is the defendant now entitled, according to the proper construction of the Representation of the People Act 1983, to resume her seat in Parliament as Member of Parliament for Newark?"

The decision yesterday of Lord Justice Kennedy and Mr. Justice Mitchell was that the answer to the question was yes. The court accordingly granted a declaration that the defendant was so entitled. The hon. Lady has therefore resumed her seat.

Mr. Eric Forth (Bromley and Chislehurst): On a point of order, Madam Speaker. I am grateful for what you have said, but would it be at all proper for me to ask whether you have given any indication to the Government of your view that an urgent review of the law in this area is required, following this matter? I think that, following the events that have just culminated happily, there is a strong feeling that the matter has become urgent. I am sure that you will have a view on that, although I accept that it would not necessarily be proper for you to express it now.

Madam Speaker: If the right hon. Gentleman looks in *Hansard*, I think he will find that, when I first made a statement about this, I indicated to the Government that it might be wise to look at these matters in future, for the sake of Members in all parts of the House.

Orders of the Day

Protection of Children Bill

As amended in the Standing Committee, considered.

New Clause 2

REPORT TO PARLIAMENT

'.—The Secretary of State shall, within eighteen months of the date on which sections 1 to 4 of this Act are brought into force (or, if those sections are brought into force on different dates, the latest of those dates), lay before Parliament a written report stating, in relation to the first twelve months after those sections entered into force—

(a) the number of people placed on the list kept under section 1, otherwise than provisionally;

(b) the number of people provisionally placed in the list kept under section 1;

(c) the number of people on the list who have initiated appeal procedures;

(d) the average length of time taken to confirm the inclusion of individuals on the list kept under section 1; and

(e) the average length of time elapsing between the commencement of appeal proceedings and determination by the Tribunal of the appeal in question.'.—*[Mr. Hammond.]*

Brought up, and read the First time.

9.35 am

Mr. Philip Hammond (Runnymede and Weybridge): I beg to move, That the clause be read a Second time.

It was clear from the beginning, on Second Reading, that there was broad consensus throughout the House in support of the principles of the Bill, but that there were considerable concerns about its implications for the rights of individuals, about the way in which it gave powers to the Executive branch rather than the judicial branch, so that decisions would be taken by the Executive rather than the judiciary, and about the availability of access to a proper appeal mechanism within the scope of the Bill.

The Standing Committee was one of the most constructive and effective on which I have had the pleasure to serve. Sadly, Standing Committees do not always perform their intended function of considering a Bill in detail with the clear intention of improving the way that it works and reaching consensus on aspects where there is controversy or disagreement, but in this case Members on both sides of the Committee—and the Government—engaged in an effective debate to try to improve the Bill, not only to fulfil its principal purpose of protecting children, but to protect the rights of those whose name may be placed on the list to be kept by the Secretary of State.

The Bill was considerably strengthened in Committee by the inclusion of additional safeguards, by the assurances given by the Minister from the Dispatch Box, and by the deletion of certain words and phrases that had caused concern in certain parts of the House that the Bill's scope might be too wide.

The amended version of the Bill is undoubtedly an improvement on the original version. Some amendments, although not made, were debated in Committee, and in some cases the issues were argued out to the satisfaction

[Mr. Philip Hammond]

of all concerned. In other cases, the Minister gave the Committee assurances that went some way—if not all the way—to satisfy Members' concerns.

My perception is that, when the Committee finished its consideration of the Bill, its members felt that, on balance, the Bill, while certainly not perfect, made a worthwhile contribution to the very important cause of ensuring the protection of vulnerable children, although they acknowledged that it could not be a comprehensive measure in that respect. It is only part of the solution to a very wide and, sadly, intransigent problem, but an important part none the less.

Mr. Eric Forth (Bromley and Chislehurst): The use of the phrase "not perfect" troubles me. I wonder whether a Bill that operates in that most important and sensitive area, the civil liberties of individuals, is safe to proceed if it is, in that sense, less than perfect. I hope that my hon. Friend will be sensitive about that during these proceedings, and will at least by the end of the day be able to tell me and the rest of the House that he is satisfied that the Bill is sufficiently perfect to be acceptable and to proceed with its passage through Parliament.

Mr. Hammond: "Perfect" is a term that I use sparingly, particularly with regard to legislation. I am not sure that perfect legislation exists. I think that we should be testing the robustness of the proposed legislation, in terms of its ability to deliver on its principal purpose and its ability to protect the interests of those individuals who find themselves, for one reason or another, placed on the list that the Secretary of State will keep. However, my right hon. Friend is right to draw attention to the fact that the Bill touches on the issue of fundamental human rights. It is incumbent on us to satisfy ourselves, by the end of our consideration of the Bill, that fundamental human rights have been protected. I hope that a combination of amendments to the Bill, measures that are to be set out in the Bill and assurances that perhaps, in some instances, the Minister can give us from the Government Dispatch Box, will create a climate in which hon. Members on both sides of the House feel that it is safe to proceed with the Bill.

Mr. Andrew Lansley (South Cambridgeshire): On the character of the Bill as it has emerged from Committee, does my hon. Friend agree that we are hoping to move to legislation that is, if not perfect, fit for its purpose? Does he further agree that we should not entertain the notion that the Bill deals in every sense with the problem of securing children against abuse, even from those who are in a position of trust and responsibility, and that alongside it every other possible measure should be considered, such as the safe and alert practice in volunteering, which I know has been piloted in a number of places? That approach, which goes beyond the protections in the Bill, gives additional security to children where people other than their parents are responsible for them.

Mr. Hammond: My hon. Friend is absolutely right. It is important that we recognise—I think all members of the Committee did—that, although the Bill can make an important contribution to the protection of children, it is certainly not possible for it to provide total protection. It would be dangerous if anyone were to believe that it did. We discussed in Committee the dangers that might arise through a false sense of security developing as a result of the Bill. It is essential that those who are employing people in positions of trust in relation to children are aware that the Bill is not a complete solution to the issue and that they must remain vigilant and carry out the normal checks that one would expect of a respectable employer in such a sensitive area.

Before my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) intervened on me, I had said that the members of the Committee felt at the end of the Bill's consideration in Committee that it made a worthwhile contribution to the protection of children. I believe that they felt also that, although there were still some questions that needed further consideration, the Bill provided broadly adequate safeguards, for individuals placed on the list to be kept by the Secretary of State.

Those might seem to be slightly guarded words. I think that it is to that area that we shall be addressing ourselves primarily today—in other words, to the quality of the safeguards that the Bill includes. The new clause addresses those safeguards.

9.45 am

I readily acknowledge that, together with amendments agreed to in Committee, assurances were given by the Minister—including what I took to be an assurance about financial support for appeals by individuals against inclusion in the list. However, the Minister was unable to agree to an amendment that would have included within the legal aid regime provisions entitling individuals to legal aid for appeals to the tribunal that was to be established under the Bill. Nevertheless, the Minister gave an assurance that the current review of the legal aid system would include a review of the appropriate method for supporting appeals arising under the Bill. The Minister drew the Committee's attention to the variety of other sources of financial support that might be available to individuals who found themselves included on the list to be kept by the Secretary of State, and who believed that they had proper grounds for appeal against that inclusion.

I took the Minister's comments in Committee to be an assurance that individuals who have been included on the list will not find themselves unable to access the tribunal for want of financial resources. I think that everyone in the House would agree that where an individual is included in the list in a way that disables him, in a real sense, in his everyday life, including his ability to obtain employment, he must have access to a judicial or quasi-judicial tribunal, especially when the original inclusion on the list has been the result of an Executive decision. An individual's lack of financial resources should not be allowed to deprive him of the right of access to the tribunal.

I have already run into trouble once this week in misinterpreting the precise requirements of the European convention on human rights. However, I imagine that the terms of article 6 requires that access to the tribunal should be realistically available to an individual, and not merely available in theory. Of course, for it to be realistically available it must be affordable. I took what the Minister said in Committee to be an important assurance on that issue. The amendments accepted by the hon. Member for Stourbridge (Ms Shipley) and endorsed

by the Minister, together with the Minister's assurances, answered many of the concerns that I and other hon. Members raised in Committee.

However, there are some outstanding issues, which will be touched on today. The hon. Lady's amendments address one area of concern, which is the possibility of people slipping through the net because of the long time that frequently elapses between people leaving a position of employment, abuse having taken place, and the facts of that abuse coming to light.

I ask the hon. Lady to accept that, although we approach the Bill as brought from Committee in a constructive and positive spirit, there are some residual concerns, and we must take the opportunity this morning to deal with them. As my right hon. Friend the Member for Bromley and Chislehurst has said, it is incumbent on us, in dealing with a Bill that touches on areas of fundamental human rights, to ensure that the safeguards that have been built into it are robust and will be workable and effective once the Bill is on the statute book.

My new clause deals with my concern that, although we undertake great and detailed scrutiny of legislation, we tend to forget it once it is on the statute book. It is incumbent on us to be vigilant, not only on behalf of children—whom the Bill seeks to protect—but on behalf of those who may be wrongly or unjustly included on the list that will be kept.

This modest new clause provides for Members of the House who are concerned to be able to review the workings of the measure, after it has been in force for a year or so, by considering figures relating to areas of concern that have been raised during proceedings on the Bill. It simply requires the Secretary of State to provide certain basic information to enable us to assess the workings of the Bill. I have not even asked for annual reports, but have asked simply for a one-off. That will enable us to assess how the measure has worked and to sound the alarm bells if any of the reassurances that were given in Committee—and will, perhaps, be given again today by the Minister—prove in any way to be unfounded.

The new clause requires the Secretary of State to report on the number of people placed on the list that is to be kept under clause 1. It is important for us to know the extent of the list. Various members of the Standing Committee have their own ideas about how many people are likely to find themselves included, but we do not know whether the requirements on employers who dismiss or otherwise deal with an employee who is believed to have been involved in inappropriate conduct, or in misconduct relevant in the context of the Bill, will unleash a deluge of referrals to the Secretary of State. We do not know whether there is, below the water, a part of the iceberg that we cannot see. Implicit in the Bill's introduction is the belief that there is a submerged problem, so there is a question mark over the number of referrals that are likely to be made.

There will be two classes of person on the list. First, people will be included provisionally, from the time of the referral to the Secretary of State, when there is a prima facie case for inclusion, and while the Secretary of State makes the proper inquiries and gives the individual the proper opportunity to respond to his inclusion. Secondly, people will be included permanently and finally following a determination by the Secretary of State or—in exceptional circumstances—by the tribunal that will be established under the Bill. The new clause requires the Secretary of State to report to Parliament on both categories.

The new clause also requires the Secretary of State to report on the number of people who have initiated appeal proceedings. That information will be vital to those who are assessing how the Bill is working. Even more importantly, the new clause requires the Secretary of State to report the average time he takes to confirm an individual's inclusion on the list.

Mr. Lansley: Can my hon. Friend help me? I have read the new clause, but I am not sure by what means we would find out the extent to which referrals to the list were being made, but were not proceeding to inclusion. Would it not be useful for someone reviewing the Bill's implementation to know not about the individual cases, but about the aggregate figure—the extent to which bodies make what turn out to be spurious referrals?

Mr. Hammond: My hon. Friend raises an interesting point. He spoke of spurious referrals, but referrals that are not included on the list, even provisionally, will not all be spurious. The Minister made it clear in Committee that the Government intend to issue guidance to organisations that are required to make referrals to the Secretary of State under clause 1. There will be a learning curve, and it is perfectly likely that organisations will err on the side of caution in the early days of the Bill's operation. They may interpret the Secretary of State's guidelines cautiously and refer someone if they think that there is any chance that he will fall within those guidelines. The Secretary of State will review the referrals and decide whether there is a prima facie case for including people on the list.

I suspect that there will be a process whereby organisations will see which cases the Secretary of State includes on the list and which he does not. They will begin to establish in their own minds a clear idea of when it is appropriate to make a referral, and in what circumstances a referral would be proper and would be likely to lead to the Secretary of State including someone on the list.

Mr. Lansley: We have happened on an interesting point. My hon. Friend was quite right to correct me; referrals would not necessarily be spurious, but they may be unjustified—that is perhaps a more neutral phrase. It will be important to be aware of the balance between referrals that prove to be unjustified and those that lead to inclusion on the list. If a high number of referrals are not included, there will be a problem. The sanctions relating to provisional inclusion are rightly tough and there would be difficulties if a large number of individuals were provisionally included, only for their inclusion subsequently to be found to be unjustified.

Mr. Hammond: I take my hon. Friend's point, but, if my understanding of the Bill is correct, the Secretary of State will not automatically place a name on the list when he receives a referral, but will do so if

"it appears that it may be appropriate for the individual to be included in the list".

There will be a learning curve in the early stages and organisations will learn what are the Secretary of State's criteria. The Secretary of State will issue guidance to

[Mr. Hammond]

assist organisations, but practice will lead them to a clear working understanding of when it is appropriate to refer and when it is not.

10 am

I confess that my hon. Friend has made an interesting point. I did not include it in my new clause, and I note that he has not included it in an amendment or a new clause of his own. I have learned, in my brief time in the House, that the best riposte to anyone who tells one that one's amendment or new clause is inadequate is to challenge them as to why they have not tabled their own. It usually has the desired effect.

One of the key areas that we addressed in Committee, and a legitimate area of concern, was that an individual who finds himself provisionally included on the list should not be left there to rot for a long period without access to some form of judicial review or appeal tribunal. That part of the Bill was substantially improved in Committee, and the Bill before us today provides that an individual who has been on the list provisionally for nine months may apply to the tribunal to determine whether he should be included on the list.

Although we could debate whether nine months is the appropriate period, everybody agrees that it is an absolutely essential safeguard to incorporate in the Bill if individuals provisionally on the list are to have the right to appeal to the tribunal in the event of the Secretary of State's taking an unduly long time to determine their case.

One reason why I have sought to obtain information about the average time taken to confirm the inclusion of individuals on the list is that, although the time limit for allowing an individual so included to appeal to the tribunal has been set at nine months, it was clear from what the Minister told the Committee that it was envisaged that, in the vast majority of cases, the Secretary of State could make his determination much more quickly than that. The Minister said that the nine-month limit was a backstop, which left the Department feeling comfortable that it could deal with run-of-the-mill cases well within that time scale.

Considerable disabilities are attached to being included on the list, even provisionally, and we shall want to be sure that the Department is dealing with cases in a timely fashion and that the nine-month limit for appeal to a tribunal does not become a buffer against which the Department runs the routine cases. I expect that many cases will be dealt with very quickly—within weeks. Given that the majority of cases will be fairly straightforward, I expect that the average time, which is what the Secretary of State is asked to report on under paragraph (d) of new clause 2, will be short—perhaps three months. It would be interesting to hear the Department's view on the likely time scale for dealing with "normal" cases that come before the Secretary of State for determination under this legislation.

Finally—

Mr. David Maclean (Penrith and The Border): Before my hon. Friend concludes his remarks, there is one aspect on which he has not touched and about which I am unclear. He will be aware that in clause 9, which sets up the tribunal, the Secretary of State has been given the power to make regulations. Some 20 different regulating powers are prescribed there. One of the key facets of the workings of the Bill will be how the tribunals work, the general trend of cases, the excuses that some people make, and whether lawyers are employed. I am not sure whether there is a general instruction under the Council on Tribunals for there to be an annual report from the tribunal itself so that we can see what is happening at tribunals. The new clause does not address that point. Can my hon. Friend reassure me that parliamentarians will be able to get a report on the trends at tribunals and the justifications for their actions?

Mr. Hammond: I should be more careful when I use the word "finally". I do not wish to alarm my right hon. Friend—but I meant "finally" not in the sense that I was about to sit down, but in the sense that I was merely about to turn to paragraph (e), which is the last of the paragraphs. He need therefore have no immediate fear on that ground.

The point that my right hon. Friend raises is interesting. I do not purport to be an expert on the general body of law regarding tribunals, but I noticed that the Minister was nodding his head vigorously during my right hon. Friend's remarks, so he might be able to offer him some reassurance later in the debate.

Ultimately—as I shall put it—paragraph (e) requires the Secretary of State to report also on

"the average length of time elapsing between the commencement of appeal proceedings"

by an individual on the list. That would include both individuals provisionally included on the list, who were appealing to the tribunal for a determination of whether they should be on the list at all, and individuals included on the list other than provisionally as a result of a determination by the Secretary of State, who were appealing against that determination.

That matter will concern all those who are anxious to protect individuals and avoid yet further erosion of their human rights. It will be a matter of great concern to ensure that appeals under this legislation are dealt with in a timely fashion. The starting point—admittedly, not a solution to the problem—will be to have the information available so that we may assess, first, whether there is a problem and, secondly, the extent of that problem.

The question of time limits was of particular concern in Committee. Despite pressure from some Committee members, the Minister was reluctant to accept tighter limits on the Department than those that have subsequently been incorporated in the Bill. The single most important response that I should like to hear from the Minister today is that the time limits in the Bill will not come to be considered as the norm, but will always be considered as a backstop so that we can dispatch the vast majority of cases much more quickly.

It is vital that we review this measure after it has come into effect to confirm that the assurances that we received in Committee, and any that we receive from the Minister today, are valid and that the concerns expressed by hon. Members on both sides of the House are unfounded. That is the principal purpose of new clause 2, but it also serves a secondary purpose. I am conscious of the fact that it might be possible to obtain the information sought in new clause 2 by other means.

Including a requirement to lay this information before Parliament in the Bill also sends a clear signal that we are not complacent about the human rights of people who are placed on the list, and that we will be as vigilant on their behalf as we will be on behalf of the children whom this measure is designed to protect. Throughout the proceedings on the Bill, both sides of the House have recognised that, if this measure is to be durable and robust, it is essential that we get the balance right between the desire to protect children and the need to protect the rights of individuals who are caught up in the administrative system and put on the list created by the Bill.

I hope that the hon. Member for Stourbridge and the Minister will accept this modest proposal to impose a limited element of post-legislative scrutiny of this measure. If the Minister is not minded to accept new clause 2, I hope that he will at least accept the principle that lies behind it, and give the House concrete assurances on the provision, through some other means, of the information that I seek to have available after the Bill has come into effect.

Ms Debra Shipley (Stourbridge): I thank the hon. Member for Runnymede and Weybridge (Mr. Hammond) for his comments, which I echo. The Committee stage of the Bill was my first experience of a Committee, and as the Member in charge I found it a steep learning curve. I was extremely lucky that the Committee was constructive. All hon. Members recognised the importance of the topic—the protection of children—and the importance of balancing that with the rights of the individual. When the Bill came out of Committee it had been strengthened: it was a better Bill than when it went in. That shows Parliament at its best, working on a serious topic. Constructive, useful and effective are the words I would use to describe the Committee, and I thank all members of the Committee for their sincere and long efforts—the Committee went into five sittings.

The hon. Member for Runnymede and Weybridge said that the Bill was not perfect. I immediately thought, "No, it isn't perfect because it doesn't stop abuse of children and all the avenues that abusers can use." That saddens me enormously. A huge number of people have written to me sad and sickening letters. The Bill may go only some way towards closing down avenues of abuse, but it is an important "some way".

I am in some difficulty over the new clause, because I am more than sympathetic. I welcome the fact that it reflects the depth of interest there has already been in my Bill, and which I am sure will continue to be shown once the legislation becomes operational. A wide range of organisations will be keen to see how the Bill is working, and it would be right to respond to that interest. However, the wording of the new clause leaves a little to be desired. That is perhaps because it is a probing amendment to establish the fact that there will be a great interest in the Bill, and that the Secretary of State should be expected to respond to it appropriately.

Taking the new clause at face value, I believe that it is rather limited. It envisages only one report from the Secretary of State, which is wholly confined to the operation of the Department of Health's list. If interest in the Bill extends to an interest in the operation of some of the main provisions, the Secretary of State should provide a wide range of information.

Mr. Hammond: I do not know what discussions the hon. Lady has had with the Minister on this subject, but, in framing my new clause very tightly and very modestly, I was hoping that it would sneak in under the wire of bureaucratic rejection of reporting whenever possible.

10.15 am

Ms Shipley: I appreciate the hon. Gentleman's comments. As he is aware, I have all along wanted more and more for the Bill while always being aware that, as a Back Bencher, I can have only less and less. I hope that the hon. Gentleman will accept my comments as supportive of the principle of the new clause.

Such statutory requirements as are in the new clause are rarely desirable or necessary in principle. What may be seen at the outset as the most important features of the Bill to be monitored—even before the ink is dry—may turn out to be much less important than other unforeseen ones or newly felt concerns. If there were a statutory requirement, which it would take a new statute to change, the Government would be committed to churning out data that no one wanted, whereas the data that people did want would not be so readily available.

Mr. Maclean: The hon. Lady has moved on to another point, but I want to ask her about remarks she made earlier. The Bill covers the Department of Health's list, the Department for Education and Employment's list and the tribunals operating under the Lord Chancellor's direction. I do not want the hon. Lady to make any commitment, but given that the Government believe in joined-up government—to use their own terminology—does she agree with me that, if we were to have a report to Parliament, it should be a more comprehensive overview?

Ms Shipley: The more information is readily available to Parliament, the public and interested organisations, the better. I would urge the Secretary of State to be open and forthcoming with information, so as to facilitate monitoring and assessment. As for an overarching umbrella, I think that it is appropriate to have both types of information available—joined-up, interdepartmental information and specific information, where appropriate.

I wondered whether I could suggest a way forward that would satisfy the hon. Member for Runnymede and Weybridge. I could undertake to convey to my right hon. Friend the Secretary of State my support for the spirit of the thinking behind the new clause. I must have made it clear by now that I support the spirit of the new clause. I invite the hon. Gentleman to accept that active consideration—perhaps Whitehall-wide and over a longer time scale than that envisaged in the new clause—should be given to what information could be collected and published about the operation of the legislation.

I grant that, in the larger scheme of things, the legislation will be a part of a series of interlocking measures. That seems to me to be the best way to proceed. As we have had little time since the new clause was tabled to think this matter through, I am unable to comment

[Ms Shipley]

further, but perhaps my hon. Friend the Minister will say a little more. I hope that the hon. Member for Runnymede and Weybridge will find that acceptable.

Mr. Forth: One appreciates the response of the hon. Member for Stourbridge (Ms Shipley) to the new clause proposed by my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), but we shall have to hear quite a bit more before I can regard that as a satisfactory response to the issue covered in the new clause. We are seeking a mechanism whereby we can be reassured that the measures that will be taken as a result of the Bill will be transparent and accountable, and we can have guarantees that the whole process will be proper and open.

I shall paraphrase what the hon. Lady has just said as, "Trust me or trust the Minister; it'll all be okay." I am afraid that those of us who have spent a little time in the foothills of government find that less than reassuring. I am not criticising government or Whitehall, for which I have the greatest admiration, but, as the hon. Lady has conceded, we are discussing an area of the law that carries with it enormous sensitivities and considerable risks. My hon. Friend made that point powerfully and effectively. I do not think anyone has denied that. We are faced with the difficult task of balancing the risks.

Of course we all want to take every proper and effective measure to protect children. There has never been any dispute about that; nor will there be during the Bill's passage through the House of Commons. From the outset, however—on Second Reading, and throughout the Committee stage—worries have rightly been expressed about the striking of a balance between the necessary protection of children and the need to ensure that our encroachments on the rights and liberties of individuals are kept in check.

The new clause seeks to provide reassurance in the form of a visible, reliable mechanism to ensure that what is done is proportionate and acceptable. I must confess that I have had to take issue with my hon. Friend's approach, and may not feel able to support the new clause, for reasons touched on by both the hon. Member for Stourbridge and my hon. Friend himself.

The new clause makes provision only for a one-off report. That strikes me as odd, given that we are dealing with a new situation, and especially given the sensitivities involved. We want to ensure that there is a proper reporting mechanism, but I do not think that once is enough. Surely, as the hon. Lady implied, it is not unreasonable to expect an annual report if we are to gain the reassurance that we all seek.

Mr. Hammond: I understand what my right hon. Friend is saying, but perhaps we have different aims. My right hon. Friend wants a mechanism providing for on-going monitoring, while I am more concerned with establishing whether my expectations about the number of people who might be caught by the provision, and the length of time for which they might wait for a determination, are broadly correct. I consider that it will be enough to examine what has happened during the first year of the Bill's operation; my right hon. Friend is suggesting a different type of on-going scrutiny, which would serve a different purpose.

Mr. Forth: I half accept what my hon. Friend has said, and I understand why he has said it; but can we assume that the early information provided for by the new clause would be representative? We shall need to see what pattern emerges in the early stages of the Bill's operation—and by "early stages" I mean not the first year or 18 months, but a longer period. I cannot accept my hon. Friend's explanation, even on the basis on which he has offered it.

I shall return shortly to the question of what response would be expected to the information provided for in the new clause. First, however, let me draw attention to a lacuna that—as my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) hinted in his intervention—has already been spotted. I share the blame, if blame is to be apportioned, for not spotting it earlier and seeking to correct it. I see no requirement in the Bill for the tribunal to report on what it is doing. Perhaps the Minister will be able to reassure us; my memory of the overall provision for tribunals has faded somewhat, and, uncharacteristically, even my right hon. Friend the Member for Penrith and The Border could not put his finger on it. However, my right hon. Friend and I both fear that, unless there is to be an overall provision in the guidance for tribunals compelling them to issue regular public reports on what they have been doing, something is missing from both the Bill and, regrettably, the new clause.

We all want—at least, I hope that we all want—to be certain that, whatever happens in the early stages of the Bill's implementation, we know everything about it. We want to know that there will be a mechanism providing for early review, and for any necessary correction to be made.

That leads us to an interesting question. How will we judge success, in terms of the operation of both the Bill and the tribunal? Will it mean a large number of cases, or a very small number? As my hon. Friend the Member for Runnymede and Weybridge said, the new clause would provide the beginnings of a means of measuring success, in that it requires the number of people placed on the list, provisionally placed on the list and so on to be enumerated; but do we want or expect to see a large or a small number of people on the list? That is germane to the effectiveness of both the Bill and the tribunal.

Mr. Hammond: One of our most important tasks will be to compare the number of people on the list to be kept under the Bill with the number of those on the non-statutory list currently maintained by the Department of Health.

Mr. Forth: That is a legitimate approach, but it is only one approach. What bothers me is this: do we want to encourage putting a large number of people through this process, or to discourage it? If we want to encourage it, anxieties about the implications for civil liberties must increase in proportion. I concede that the new clause provides at least the basis for a judgment to be made.

Mr. Hammond: That point will be addressed primarily by the guidance that the Government will issue. As is often the case, it is difficult for us to judge the effect of the legislation from what is in the Bill; the guts of that legislation will be contained in guidance, regulations or secondary legislation.

Mr. Forth: That is an important point, of which those of us who have been responsible for the passage of

legislation are all too aware. The difficulty lies in the making of a proper, rounded judgment on both what is in the Bill and what we are told, or anticipate, will underpin it. That brings us back to the "Trust me" approach. We are being told, "This is the overall thrust of the Bill; the details will emerge in due course, in the form of regulations or guidance." As we do not know those details, we are required to exercise an element of trust. We must accept that, however uncomfortable it may make us feel—especially when we are dealing with issues as this.

Even more important than the criterion on which success is to be measured is the unasked question that lurks behind all this: what do we expect to be the response to the information provided for by the new clause? Whether we have the one-off report proposed by my hon. Friend or the regular reports that I would prefer, we are left with an intriguing question, which I hope will be answered either by the hon. Member for Stourbridge or by the Minister: what should our response be to the information? What if the number of names on the list or provisionally on the list, the number of appeals, the length of time and so on began to alarm us? What if they were too large or too small, or if appeals were taking too long to deal with? That would raise some very awkward issues.

10.30 am

Given that so much will be dealt with in the Bill—which will by then be statute—are we able to rely on a promise that a variation in the details of guidance or regulations will be a sufficient response should information emerge, one way or the other, on the operation of the new clause's provisions? Such questions touch on the necessary balance between an Act's provisions, regulations and guidance.

Funnily enough—although hon. Members often argue, for our own sense of security, for as much as possible to be included in a Bill—in this case, it might be more reassuring if more of the detail were dealt with in regulations or guidance, precisely so that changes might be made in response to information that would be elicited by the new clause. Although I do not often make that type of argument, I think that it is right to do so in this case.

Mr. Maclean: I am sorry to interrupt my right hon. Friend's train of thought, but there is another little problem to feed into the conundrum. If new clause 1 had been selected, my right hon. Friend would undoubtedly have made a passionate plea for legal aid provision to be extended. However, the Government are reviewing legal aid, and—probably after the Bill is passed—people covered by the Bill's provisions may not qualify for legal aid. Although legal aid may not be granted when those people initially appear before the tribunal, they may receive it later. Will there not be a different balance and mix of provision, and will not time limits be lengthened?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The right hon. Gentleman may have assisted the House by interrupting the train of thought of the right hon. Member for Bromley and Chislehurst (Mr. Forth), as we were getting into matters that go rather wider—indeed, to the philosophical nature of legislation generally—than new clause 2 specifically. It would therefore be helpful if the right hon. Member for Bromley and Chislehurst returned to his more narrow brief.

Mr. Forth: I am, as ever, grateful for your guidance, Mr. Deputy Speaker, and—for the reasons that you gave—shall not be tempted on this occasion to deal with the issue that my right hon. Friend has raised.

I am trying to establish the extent to which the information that would flow from new clause 2 should be expected to give rise to consequent action, as that is germane to our consideration of the detailed information that new clause 2 proposes should be provided. It would be helpful if we could have some guidance on the matter from either the hon. Member for Stourbridge or the Minister.

My right hon. Friend the Member for Penrith and The Border, however, has prompted me to ask—I think that, at this stage, it is a legitimate question to ask—whether the Bill's definitions are sufficiently settled for to us rely on the information that would emerge if the new clause were passed.

As we speak, an interdepartmental working group is beavering away on matters that are very closely related to the matters dealt with in the Bill. It would help us if the Minister—on this occasion, the Minister rather than the hon. Member for Stourbridge—told us just what stage the group has reached in it work, and how that work might relate to the information that would emerge from the provisions of the new clause, thereby helping to inform the House of the relevance of the new clause and the information that it would provide.

If we were able to have all that information, hon. Members might conclude that new clause 2 was defective. I am now convincing myself that it is, and that I shall not be able to support it today. However, in the other place—in the light of what has been said today, the guidance that my hon. Friend the Member for Runnymede and Weybridge has given and the comments of the hon. Member for Stourbridge—the proposals in the new clause may be reconsidered, and it may be thought that they are the appropriate means of addressing the issues.

As so often happens at this stage in the consideration of a Bill, we are debating a very important idea that has not been dealt with fully in an amendment. That is my conclusion on the new clause.

I believe that the new clause is on to something very important. My hon. Friend the Member for Runnymede and Weybridge has raised an important issue, but I am not—for the reasons that I have given—entirely happy with the way in which it would operate. However, I hope that, when the Minister answers some of the questions that have been asked, we will find a way of implementing the principle behind the new clause, and thus improve the Bill.

Jackie Ballard (Taunton): I shall be brief, not only because I am losing my voice, but because I should like to ensure that the Bill makes progress today. I shall therefore not feel it necessary to speak to every amendment that is moved.

I share the widespread view that the Bill was improved greatly in Committee, where the core of our debate was a wish to ensure that the legislation generally provides greater protection to children, but not at the expense of

[Jackie Ballard]

denying basic rights, especially employment rights, to innocent people—I repeat, innocent people, as that is what matters. We all want to remove, so far as possible, any risk of abuse of children.

As other hon. Members have said, we had very constructive debates in Committee. I particularly welcome acceptance of the need to include in the Bill a time limit between an individual's initial inclusion on the list and the exercise of his or her right to be heard at an appeal. In the time such people are on the list, they are unable to find any work in the profession of their choice. Moreover, the longer they are on the list, the less likely it is that they will be able to find other work in child care, even if they are ultimately found to be completely innocent of any charges. People tend to believe that "there's no smoke without fire" and to ask, "What were you doing for that year or more?" I therefore very much welcome the decision to include such a limit in the Bill.

I welcome also the Minister's hope that the determination of appeals will be dealt with well within the nine-month limit, and that the limit will not be thought of only as a target—as, despite the best of intentions, so often happens when a limit is provided in legislation.

New clause 2 helpfully raises some important issues. I am pleased that the hon. Member for Stourbridge (Ms Shipley) thinks that it is helpful, although I understand her problems in having to temper her desires with the ministerial reality of the Government's views on the matter. However, new clause 2 would enable Parliament to monitor the Bill's progress, after it becomes an Act, by providing information on the number of people included in the list, how provisional listing worked in practice and the efficiency and effectiveness of the tribunal process.

The hon. Member for Stourbridge seemed to take the view that the new clause was too prescriptive, and that it would perhaps limit opportunities for Parliament to scrutinise progress on the Act's implementation. I do not think of it in those terms. A statutory provision requiring Ministers to report in 18 months' time does not mean that, in 18 months or more, a Minister cannot lay before Parliament a report providing more relevant information. I should hope that "open government" entails the Government's wish to provide the most comprehensive progress reports on legislation that they can provide, and that Ministers will not feel constrained in reporting by what the House thought was most important at a specific time.

I therefore hope that at least the spirit of new clause 2 will find its way into future deliberations on the Bill in the other place, and I look forward to hearing the Minister's reply.

Mr. Maclean: I give new clause 2 my provisional support, although I am concerned that it may not go far enough to deal with some of the issues that we have touched on this morning.

First, I should like to comment briefly on the Bill as it has emerged from Committee. We often say, particularly on Fridays, that the Bill under consideration has been wonderfully improved in Committee. Over the past 15 years, I can certainly recall occasions when the use of that terminology has been slightly optimistic. Of course, no hon. Members have told untruths about the extent to which a Bill has been improved, but they may have exaggerated the importance of the one or two technical amendments that have been made.

Today's Bill is in a different category altogether, as is clear from the five sittings of the Standing Committee. On Fridays, we are often asked to make amendments and consider new clauses on a Bill that was bounced through Committee in half an hour and, we are told, wonderfully improved. However, in this case I congratulate the hon. Member for Stourbridge (Ms Shipley) and the hon. Members on the Standing Committee, including my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond).

I now turn more specifically to the new clause and to the libertarian issues that concern me, including some of the arguments advanced by Liberty. I am grateful to the hon. Member for Denton and Reddish (Mr. Bennett), who, unusually, is not in his place today, for tabling amendments that the hon. Member for Stourbridge was sensible and gracious enough to accept and have improved the Bill. They dealt with the point relating to incompetence, which was one of the main concerns expressed on Second Reading.

Nevertheless, it is possible for a good Bill such as this one, which is better than when it was last before the House, to be improved further. I am not sure that it is perfect legislation, but I can see fewer dangers with it than with the so-called perfect Dangerous Dogs Act 1989. No doubt, if we had had a report after 18 months of the operation of the Dangerous Dogs Act, we might have concluded that there was scope to amend it earlier than we did.

I hope that the Minister will not advance the argument that there should not be a reporting requirement, and that his defensive briefing, written by any of the two or three Departments that may have an interest in the Bill or in the new clause, does not include the advice, "For goodness sake, Minister, do not offer an annual review. Imagine the mess that we will be in if the Bill turns out to be as bad as the Dangerous Dogs Act. We will all be very embarrassed."

I am fairly certain that that is not in the Minister's briefing, but, if he has been advised not to accept a reporting requirement because it may be immature and expose some inadequacies in the Bill, that is not a good enough argument. I seek a reporting procedure not to try to discover any inadequacies in the Bill, so that we can catch the Government out and say that they did not protect children as perfectly as they could have, but because we want to see whether general trends emerge in what the abusers are doing and how they are operating the law and spot potential gaps and loopholes.

The hon. Member for Stourbridge and the Government have admitted that the Bill is not the be-all and end-all, but is only one in a comprehensive series of measures designed to tighten up loopholes in earlier legislation and to ratchet up the measures against those who abuse children.

It is delightful to see the Minister of State, Home Office, the hon. Member for Brent, South (Mr. Boateng), in his place this morning. His experience will be exactly the same as mine if he has talked to the National Criminal Intelligence Service and any of the police forces in Britain: as soon as measures are introduced to deal with current criminality, even before the legislation has

completed all stages, criminals are thinking of ways around it. Nowhere is that clearer than in the case of paedophiles and child abusers.

When we debate legislation to deal with soccer hooliganism, and particularly since the ghastly outrages and bombing incidents in London recently, we tend to describe the perpetrators as dangerous thugs and mindless morons—

Mr. Deputy Speaker: Order. I was beginning to detect threads of a Third Reading speech in the right hon. Gentleman's remarks, but I am now beginning to think that they have moved beyond that. May we please return to the new clause?

10.45 am

Mr. Maclean: My sincere apologies, Mr. Deputy Speaker. The report in the new clause may identify trends among paedophiles and child abusers. Hon. Members will know that those who abuse children are not thugs or mindless morons; some of them are very clever and very skilful at covering their tracks.

Mr. Forth: My problem with the new clause is that it would not show trends, as there would be only one report. My right hon. Friend must square up to that. If he supports the new clause tabled by my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), he must find a way around the problem that a one-off report will not show trends.

Mr. Maclean: My right hon. Friend, with his customary logic, is right. I am sympathetic to the new clause, which would be a step in the right direction. I could not bear to oppose it, but I also agree with the hon. Member for Stourbridge that, in this world of joined-up government, it would be beneficial if the provision did more than place an obligation on the Secretary of State for Health under clauses 1 to 4. If the new clause cannot go further, perhaps the Government can do so non-statutorily and produce a joined-up report, taking into account aspects in the new clause and some of the loopholes that it has missed that I should like to mention.

I listened carefully to what my hon. Friend the Member for Runnymede and Weybridge said about his new clause and I shall not repeat his arguments. However, it is important that the House should be informed in a coherent and sensible way about the operation of the legislation. Like others, I am not sure that a one-off report in 18 months' time is sufficient. I would have preferred my hon. Friend to amend his new clause to provide for an annual report. I shall discuss later whether it should be statutory; it may not have to be.

If the Minister accepts the spirit of the new clause and other proposals that I shall make on how it can be improved, an annual report from the various Departments concerned—presumably it would have to be produced by the Cabinet Office, as it would involve joined-up government—including chapters from all of them on how they saw the system working, could be produced, providing a more comprehensive overview of those who were placed on the list and what they were up to. We should be able to get an idea of that from the way in which they bring appeals and the arguments that they use.

We know that, as people start appearing before tribunals, there will be work for double the number of lawyers, although I am not criticising the lawyers who will run behind the ambulance of the Bill. I am not criticising the Minister of State, Home Office, who can be forgiven for having been a lawyer in his past life. I am glad to see that he now has decent employment. It is inevitable that some lawyers will specialise in defending those who have been put on the list. A body of argument will develop quickly and there will be a trend of justification and the best legal excuses for justifying what has happened. I hope that most of those excuses will not get past the sensible people who will be appointed to the tribunal under clause 9, but inevitably some people will get off—the House may think wrongly—because a body of law has grown up or certain excuses have come to be accepted that are not covered by the law.

That is not a criticism of the Bill. I do not want an annual report so as to be able to point the finger at the hon. Member for Stourbridge, my hon. Friend the Member for Runnymede and Weybridge or others in the House and say, "Clause 4 is faulty; you didn't make clause 6 tight enough." In my opinion, the purpose is to examine the measures both in the Bill and in other legislation.

I do not want to have to table a series of questions to the Minister to find out how many people have been placed on the list kept under section 1, including those placed on it provisionally, or how many people initiated appeal procedures, the average time taken to confirm the inclusion of an individual or the time elapsing between the commencement of appeal proceedings and their determination by the tribunal.

I have tabled a few questions this Session; if one tables too many, the immediate criticism by some Departments is that one is wasting £400 per question, simply by asking them. It may be cheaper in the end for the Government to produce a comprehensive report, rather than depending on hon. Members asking questions.

Moreover, if in the absence of the new clause I ask those questions, I will get only a little part of the picture. What concerns me more, and what the new clause does not deal with sufficiently, is clause 9 and the tribunal. The tribunal is connected with clauses 1 to 4, which the new clause is about, and represents an important part of the Bill. There is a schedule to deal with setting it up, although I shall not talk about its detailed operation now, as that might be out of order.

Under clause 9, the Secretary of State has the power to make regulations relating to all aspects of the functioning of the tribunal—who may have leave to appeal, obtaining medical reports on people who appear before it, the rules governing who may appear on behalf of the parties, whether lawyers, Queen's Counsel or friends of individuals may appear, and the awarding of costs or expenses.

The Minister may say, "Don't worry about the fact that the new clause does not have anything about getting an annual report on the generality of cases before the tribunal. You may not know this, but the Council on Tribunals"—or some tribunal Act, of which I am unaware—"insists that all tribunals produce an annual report on their activities." That may be so, and it may be good and sufficient to give hon. Members, if we find the report, an overview of the final results of the Bill.

[Mr. Maclean]

I am not simply asking for information on how many people the Secretary of State has placed on the list, or how long it has taken the Secretary of State to come to a determination; I am asking for information on the ultimate conclusion of cases, who has appealed and how long it has taken to do so, the verdict at the end, and also for an overview of the arguments that are presented to the tribunal—which ones the tribunal finds persuasive, and which it finds are a load of tosh, used by people who are trying it on. We need to know those outcomes.

We often have to pass legislation not because we have found that a previous Act is wrong or full of technical errors, but because the courts are doing things that we did not expect. The interpretation of legislation by courts and tribunals often catches Governments by surprise. It is fair for me, as a former Home Office Minister, to make that point. The Minister of State, Home Office, who is sitting on the Government Front Bench at the moment, would confirm, in a totally non-political way, that, even with the best legislation that any Government pass, whether it comes from the Home Office or from other Departments, one can suddenly find that the courts have not interpreted it exactly as Ministers or the rest of the House thought they would. In Committee, we heard references to Pepper *v.* Hart, and those may be valid, but the courts will often conclude that, irrespective of what Members of Parliament have said, the legislation is clear—and clearly different from what we expected.

The new clause is an important step in the right direction, but it would not give us that complete overview. Even if the Lord Chancellor publishes a separate report on what the tribunals do, we also need information about the regulations that the Secretary of State makes under clause 9, and why he has made them.

The Minister may say that it is up to alert Members of Parliament to spot the legislation that the House is voting through. No doubt, over the next few months, regulations will be laid under the Bill and we shall have a chance to spot them on the Order Paper, and therefore we should know what is going on. However, I make a plea to the Minister to think again, because, as we can see from the Bill, the protection of children is a highly complex matter.

I have had to reread the *Hansard* reports of our proceedings in Committee several times just to grasp what was going on at the time, because the details were very complicated. I pay tribute to all the members of the Committee not just for the important changes that they made to the Bill, but for understanding the arguments that were advanced and the effects that the changes would have on the Bill.

Child care law is complicated, and it is not all in the Bill. The Bill interacts with the Children Act 1989, and also amends the Education Reform Act 1988. My criticism of the new clause is that it fails to deliver enough. If I wanted a proper report to Parliament, I would want a chapter from the Department of Health, giving the information that my hon. Friend has asked for in the new clause; a chapter from the Department for Education and Employment, giving its view on how it has been operating its part of the Bill and identifying any problems and trends that have been detected, the number of teachers who have been struck off, and the number of people who have not been allowed to be employed as teachers; and a little bit from the Home Office.

I do not think that I would be breaching any of the rules of the House if I said that the Minister has ready access to advice from those three Government Departments right now. If he can be given advice on the Bill by them all today—he rightly requires back-up in the Chamber—there is no point in new clause 2 requiring a response from only one Secretary of State. If we publish a report, it should have input from the various Departments that have advised the Minister on the Bill and think that they have a locus and some ownership of it.

Mr. Forth: My right hon. Friend has raised in my mind a problem that we have not identified hitherto. That thought was sparked off by his reference to the DFEE and what, until now, has been known as List 99, with which, sad to say, I am over-familiar. Does my right hon. Friend agree that there is a problem in bridging the gap between overall figures, which may or may not tell us much, and individual cases? In this matter, more than in others, it is individual cases that matter. In trying to categorise and group people together for the purpose of analysis or drawing policy conclusions, one can run into considerable difficulties. There is a balance to be struck between looking at the overall figures to draw conclusions and paying attention to each individual tragedy.

Mr. Maclean: My right hon. Friend is right. If we ask parliamentary questions, we may get a pile of statistics that tell us little. If the Minister accepts the new clause and we have a report in 18 months' time, I have no idea how many people will have been placed on the list under clause 1, provisionally or otherwise.

What will the ball park figures be? There may be a dozen, 100, 200 or even 1,000. Some of those numbers would be surprisingly low; 1,000 may be shockingly high—although those who work in the professions may say that that is only the tip of the iceberg and there are a lot more. I have no idea. If 1,000 people are placed on the list, should we be horrified or should we say, "My God, we are only scratching the surface. There must be 10,000 abusers and we have only 1,000 on the list"? I do not know.

When we debated the Football (Offences and Disorder) Bill a couple of weeks ago, the most helpful briefing I received was one from the National Criminal Intelligence Service which had been taken off the internet. It gave the figures, but it also gave the trends. For example, it said that violence was moving from inside grounds to outside.

Similarly, in an annual report on this Bill, I would want to know the figures, but I would also want to know the opinion of Ministers or others with a legitimate view on whether 1,000 people having been placed on the list in new clause 2(a) is a good figure, whether the trend is downwards and whether 90 to 95 per cent. of offenders are caught. The report should contain similar figures from the Department for Education and Employment and an analysis. The report should also have Home Office input, including conviction figures on those who refuse to comply with the requirements in clause 9. Conviction rates may be low under that clause, but we should have the figures from the Home Office.

11 am

The new clause should also contain a report from the NCIS, which runs the most effective anti-paedophile unit

in the world. Members of Parliament can obtain information on the working of legislation through parliamentary questions and from departmental reports. The annual report from the NCIS contains some statistics about the crackdown on paedophiles and child abusers, alongside information about its work against drug dealers and terrorists and other vile criminals. Some of that information may touch on the workings of the Bill.

However, it would be preferable in the era of joined-up government—I am not making a political jibe, because the Government boast about that—to have a report that pulled together those elements and others that I have not thought of. For example, the report could contain a chapter by the Lord Chancellor's Department on the operation of the tribunal and the trends that have been noticed. There could be chapters from the NCIS, the Home Office and the Department of Health.

New clause 2 would provide for a one-off report in 18 months' time, and it does so because my hon. Friend the Member for Runnymede and Weybridge has tried to give the Government the least cause to reject the new clause. If the new clause had requested a comprehensive report every year, the Minister would have said that it was too expensive and that Ministers had better things to do than to sit in a Cabinet Sub-Committee drawing up annual reports. So that it is not rejected, the new clause is modest and does not ask for too much. However, it has asked for so little that it might not be worth doing and the Government might reject it on the ground that such a report would not tell us enough.

The interdepartmental working party on children could be the mechanism to produce the information that we seek. We do not want the working party to reveal any secrets about the Government's intentions, but we should have a report that lets us know the Government's thinking. An annual report would be much better than a one-off report which could give us only a snapshot view; an annual report could give the trends and show how the legislation was bearing down on those who abuse children.

The Bill, although not perfect, will be as effective as any other measure in tackling child abuse and will have some impact. However, I am also certain that the people who abuse children will begin to find ways around it. The Department of Health will have to try to plug those escape routes, and Parliament should be able to monitor them so that we can later determine what further legislation may be necessary.

That is not a criticism of the Bill; but abusers are clever, nasty people who will try other ways of contacting children to commit the offences that too many of them are currently committing. The benefit of an annual report is that it would give the Government a chance to let us know what is happening in the working group considering ways to prevent unsuitable people from working with children. I hope that the Minister will be able to tell us a little more about the group's progress.

The Bill is an important attempt to deal with a significant aspect of the problem, but the working group has recommended an integrated system for identifying people unsuitable for work with children in England and Wales. It suggests a central access point, sometimes called a one-stop shop, to the integrated system. People who should not be allowed to work with children should be identified in advance.

The working party is considering what sort of ban should be imposed. All those people who have committed specified criminal offences—and we need to know exactly which offences—are already excluded by virtue of List 99 or included on the consultancy index held by the Department of Health. The working party has suggested going further than the Bill and making it a criminal offence for a person deemed unsuitable to apply for, accept or continue work with children. Access should be allowed to all those who, by virtue of section 120 of the Police Act 1997, are authorised to countersign applications for criminal record certificates by those wanting to work with children. That would cover all those registered to receive criminal record checks in relation to working with children, including those registered to receive enhanced criminal record checks.

If the Minister tells us that we do not need the new clause, I hope that it will be because the Government intend to publish a report on a non-statutory basis that covers the wider issues hinted at by the hon. Member for Stourbridge.

My final point concerns legal aid and the Government's statement that legal aid issues cannot be included in the Bill because they are having a review of legal aid and people affected by the Bill may or may not qualify for legal aid, depending on the outcome of the review.

Mr. Deputy Speaker: Order. I cannot see any possible connection between legal aid and the terms of the new clause. There is a degree of proportionality that must be observed in saying why a clause should include something that it does not. There are limits and those limits have been reached.

Mr. Maclean: I entirely accept your ruling, Mr. Deputy Speaker. I was suggesting that there should be a report to Parliament—

Mr. Deputy Speaker: Order. I hope that the right hon. Gentleman will not engage in further repetition. If he does, I shall be minded to quote the terms of Standing Order No. 42.

Mr. Maclean: I should not challenge your rulings in any circumstances, Mr. Deputy Speaker.

I hope that the Minister will not reject the new clause out of hand as being too narrow, too expensive or too much of a commitment to a measure that it will be too early to judge in 18 months' time. I shall be disappointed if he does not say that he intends to pull together all Departments concerned with working with children and bearing down on paedophiles and others who abuse children. I hope that he will present a comprehensive report to the House, or publish it, so that hon. Members may have access to information and statistics. Access to the views of Departments, officers, Ministers, the NCIS and others on how legislation, including the Bill, is working for the benefit of children is also important if we are to decide whether further measures are necessary in due course.

Mr. Tony McNulty (Harrow, East): The debate has been very interesting and the hon. Member for Runnymede and Weybridge (Mr. Hammond) should be congratulated. I am pleased to be a sponsor of the Bill, but, having read the

[Mr. Tony McNulty]

Standing Committee's deliberations, equally pleased not to have sat on the Committee. The right hon. Member for Penrith and The Border (Mr. Maclean) is a far more esteemed member of the Friday club than a comparatively new Member such as myself, and he was right to say that there is a tendency to exaggerate what is done in some mystical half hour on a private Member's Bill in Committee. In this case, however, the Bill is all the better for the deliberations upstairs, and issues that I raised on Second Reading were well discussed there. The Committee is to be congratulated on its work.

I was provoked to rise because what I am about to say I will not be able to say often. It is that I broadly agree with almost all that was said by the right hon. Members for Bromley and Chislehurst (Mr. Forth) and for Penrith and The Border.

Mr. Forth: Withdraw!

Mr. McNulty: I thought that that was such a nice thing to say, and that I would have so little opportunity ever to say it, that I should put it on the record. The right hon. Gentlemen were right to say that the hon. Member for Runnymede and Weybridge did us a service by moving the new clause, and they have eloquently outlined sufficient flaws in the Bill to require the Minister not to dismiss it out of hand. Given the complex, nasty and horrible side of what we are trying to prevent, there should be scrutiny and monitoring across Departments in a way that might not be appropriate to other Bills.

Both right hon. Gentlemen also picked up on the 18 months element. I thought of intervening, but did not because they waxed so lyrical and eloquent. The new clause suggests a report within 18 months on the first 12 months of implementation of the Act. To suggest that we could discern any trend or pattern from the first 12 months of the Bill's operation would not be entirely correct.

Much of what the right hon. Member for Penrith and The Border said about having an annual review and continued monitoring, with some cross-departmental involvement, showed us how we should proceed. My hon. Friend the Member for Stourbridge (Ms Shipley) has not claimed that the Bill is a panacea which will end abuse or prevent people from achieving positions that they should not hold, but it will contribute to a wider legislative framework and interact with other laws. That interaction, including with subsequent laws, should be covered by any review or monitoring.

11.15 am

Like the right hon. Member for Penrith and The Border, I am not entirely sure that the slab of statistics outlined in paragraphs (a) to (e) of the new clause would have any real meaning. As the right hon. Member for Bromley and Chislehurst said, there is, for example, a split between the Department for Education and Employment and the Department of Health. The DOH list covers a plethora of areas in which people who should not be allowed near children may work with them. Matters are not as clear cut as they are for, say, working in a nursery or as a teacher, which are dealt with by List 99. We would need a breakdown far longer than the National Criminal Intelligence Service list of hooligan offences, which we touched on in a previous Friday club meeting.

The raw statistics alone would not be sufficient. However, I hope that we shall not throw out the essence of the new clause. In some senses, we should go further, and the three Departments referred to—Health, Education and Employment, and the Home Office—should be hooked on to the Bill, and should scour all areas of activity in their wider work with children, as well as monitoring, evaluating, reviewing and analysing in a far greater way. That is not suggested in the new clause. We could then see how the broad legislative framework was dealing with what the Bill seeks to do in its small way—preventing people who seek to abuse our children from achieving relevant positions.

If, therefore, we can accept what was said by those whom, for this morning alone, I shall term my two right hon. Friends across the Chamber about both the failings of the new clause and the service done by the hon. Member for Runnymede and Weybridge in trying to tease out what will happen on monitoring and evaluation, the Bill will be all the better for it.

Mr. Lansley: To echo one point made by the hon. Member for Harrow, East (Mr. McNulty), it is well understood, not least by those of us who sat on the Standing Committee, that the Bill is not a panacea. It is one more brick in an as yet insufficient wall to protect children. It is incumbent on us to recognise the sterling work of various organisations, not least the National Society for the Prevention of Cruelty to Children in its "full stop" campaign. It is clear to us all that, partly for the reasons adduced by my right hon. Friend the Member for Penrith and The Border (Mr. Maclean), those who wish to abuse children often seek to evade statutory measures. The vigilance and culture that we seek to inculcate in society are tremendously important.

The debate has illustrated the reasoning behind new clause 2, which was so ably moved by my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond). There have been arguments of two kinds. First, it is argued that the new clause is insufficiently wide ranging. Secondly, it is argued that it is so narrowly drafted as to serve an insufficient purpose. Neither is true.

Many hon. Members have suggested that the new clause should cover a wider range of factors—I mentioned one in an intervention—or that the report should be annual. Neither suggestion is appropriate. Clearly, if the report is to give rise to a wider understanding of statutory protection for children and the way in which statutorily regulated organisations ensure that persons guilty of misconduct towards children and who are unsuitable to work with children are prevented from doing so, it would be far from sufficient if it were narrowly focused on the operation of the legislation.

The Bill is not an all-encompassing measure to protect children, but a further step forward. It would change the Department of Health list and put it on a statutory basis, but, in other respects, it would simply co-ordinate and make more accessible other lists, including List 99 and the Police Act 1997 list. It would be difficult to broaden the scope of the Bill to make it the motor for an annual review of the process of protecting children.

I would reinforce some of the arguments made in the debate, but I do not necessarily endorse the view that the new clause should be different. From time to time,

the House loses the broader perspective on the rights and protection of children. When the Select Committee on Health conducted its inquiry into children who were looked after by local authorities, we came across an existing statutory responsibility on the Department to report on such children. That obligation had not been met. One of the most stinging criticisms made by the Select Committee concerned the fact that that report should have been provided.

I am reminded of a military analogy—the armed services use "fire and forget" missiles. The House must never think that it is on a fire-and-forget operation when scrutinising legislation, not least when the task is as important as the protection of children. On the interlocking sets of responsibilities between Government Departments and different aspects of legislation, it would be far preferable for Ministers to encourage an annual debate on the rights of children and their protection, rather than to institute a statutory responsibility on a Department to produce a report at a given date.

The hon. Member for Newcastle-under-Lyme (Mrs. Golding) has been listening attentively to our debate at various points this morning. Over the years, she has made a great effort to promote the rights of children and she might well say that, by focusing on individual legislation, we often miss the need to debate the overall trends and impact of legislation on given groups of people. That is true of children and it is often true elsewhere. For example, the best value system in local government is often best conducted by considering those who are affected, rather than merely the services that are provided. We should start with the children and work from there.

Rather than reject the new clause for being too narrow, we should look to different mechanisms to achieve a regular—perhaps, an annual—examination of the way in which Government measures, both statutory and non-statutory, serve to protect children. Although the new clause does not serve that purpose, it would be useful.

As my right hon. Friend the Member for Penrith and The Border said, we need to know the impact of the legislation in one crucial respect. In its regulatory impact assessment of the Bill, the Department draws our attention to the fact that the consultancy index contains about 750 names. If my memory serves me right, about 7,000 checks are already made on the list each month. In its impact assessment, the Department contemplates an increase to perhaps 1 million checks a year on the list, which is a very large number. If the increase in the number of checks is any measure of the increase in awareness of and use of such a list by statutory bodies following the legislation, we may be talking not of hundreds of names on the list, but of thousands. It is impossible to speculate. For obvious reasons, one hopes that there will be as few as possible—we all hope that relatively few people will be deemed unsuitable to work with children. Equally, all the evidence suggests that non-statutory measures have not resulted in the number of referrals to the list that they should have. A tenfold increase in the number of checks may result in a tenfold increase in the number of referrals.

This is unaccustomed thinking for me, but perhaps we should provide the resources to ensure that the job is done properly rather than consider how the legislation may increase expenditure. The regulatory impact assessment makes it clear that Government Departments intend to meet any costs that arise from the legislation from within their existing provision. I do not dissent, but, if there is a tenfold increase in the level of activity, including the number of referrals, after the legislation has been enacted for a year or 18 months, either Departments will have to reallocate resources to meet the challenge and deal with it expeditiously or the present time span of four weeks for a decision to be made about a referral to the list will stretch to a longer time. It is important that the pressure on the system does not result in a great extension in the length of time that such decisions take, and people should not be included on the list provisionally as an expedient until their case is decided.

The arguments of my hon. Friend the Member for Runnymede and Weybridge when moving the new clause remind us of some of the pressures that might result from the legislation. Many people may be placed on the list provisionally. It is important that the provisional section is not unduly large if the list is to be a device for protecting the interests of children.

In such circumstances, the rights of the individuals concerned would be abridged if their cases were not determined speedily. Furthermore, the number of people on the list who initiate appeal procedures will be a clear indication not only of whether the legislation is giving rise to difficulties for individuals but, because the tribunals will in many respects be a judicial process, of whether it is working well in legal terms.

There are particular reasons for wanting to know what the impact of the legislation will be at a defined moment, but it does not follow that one needs to know about it every year. We are dealing with a step change. There is every reason to suppose that the number of referrals to and checks on the Department of Health consultancy index will rise dramatically. That is what we need to see and we need to work out the implications.

11.30 am

I have two final points. The first relates to an important aspect of the initial report sought by new clause 2. We are dealing with statutorily regulated bodies, often in the public sector. We are changing from a non-statutory to a statutory obligation, and making it an offence not to refer persons. As a former civil servant, I am only too well aware that, when the Government are placed under an obligation, they sometimes not only meet it, but go too far. It is important that we ensure by early review of the implementation of the legislation that the guidance that Ministers issue is working in Departments and producing an appropriate, rather than an excessive, number of referrals. Given the sanctions involved and the implications of being placed on the list, the public sector should not treat referral as a matter of routine or a tick box operation. It must be done carefully and with justifications given throughout the process, or the rights of individuals will be abridged.

The second point concerns reports from tribunals. I am no expert on tribunals, but from my knowledge of other tribunals—particularly school admission tribunals—I do not recall any provision under the Tribunal and Inquiries Act 1992 for them routinely to provide reports. I recall, because I think that I read it, a report from the Council on Tribunals, but that impinges not on the merits of the issues brought before tribunals, but on their conduct and the training provided to those who sit on them. It is peculiarly important that this tribunal should involve appropriate training and qualification. Although it is not

[Mr. Lansley]

mentioned specifically in the report proposed by new clause 2. I hope that in so far as the Minister is responding to the sense as well as the letter of the debate, he will ensure that the review ensures appropriate training, particularly in respect of the lay panel members. I support new clause 2.

The Parliamentary Under-Secretary of State for Health (Mr. John Hutton): Several hon. Members have made important and helpful contributions to this useful debate. I welcome with open arms the new converts to transparency and openness among Opposition Members. It may be unhelpful, given the spirit of compromise that has dominated our proceedings, but some of us wonder where they were for the past 20 years.

Mr. Maclean: In government.

Mr. Hutton: Precisely, but without results. None the less, we welcome the sinners' repentance and we welcome them to the cause of openness and transparency.

New clause 2 is about providing information to Parliament about the operation of the list of those considered unsuitable to work with children and the work of the tribunal, both of which are key parts of the Bill that were amended in Committee. I agree with the hon. Member for Runnymede and Weybridge (Mr. Hammond) about the way in which the Committee went about its work. The Bill now strikes a better balance between a proper regard for fundamental civil liberties and the need to ensure that we provide maximum protection for children from people who might harm them. In particular, the new opportunities for those who have been provisionally listed to appeal to the tribunal in clause 4 have strengthened the Bill's safeguards without weakening one of its central purposes: allowing the Department of Health to keep an accurate, comprehensive list on a proper statutory basis of people whose behaviour has harmed a child or placed one at risk of harm.

I assure Opposition Members that the Department intends to deal with referrals in a timely and efficient manner. The nine-month limit will not become the norm. That was never our intention. We aim to deal with referrals for inclusion on the list as quickly as possible so that people know where they stand and so that the list can serve the purpose for which it has been properly set up.

Mr. Hammond: The Minister said that the Government would deal with referrals as quickly as possible. That does not tell us much. Can he assure the House that the Department will set internal targets for the time taken to deal with referrals and test itself against them?

Mr. Hutton: Yes, we will. We want to ensure that the system is efficient and effectively operated and to avoid undue delay. The purpose of maintaining the list would be compromised if those problems crept in.

I am grateful to my hon. Friend the Member for Stourbridge (Ms Shipley) for her constructive and helpful attitude to new clause 2, the intention and spirit of which I welcome. She spelled out one or two problems with it. I agree that it would be unwise to include it, for the reasons that she gave.

I confirm that we will look carefully at how best we can provide regular information to Parliament about the operation of the new statutory list. However, there is no reason why hon. Members, including the hon. Member for Runnymede and Weybridge, cannot table parliamentary questions on all the matters covered by new clause 2. I assure the House that we intend to be as open as possible about the new arrangements, given the widespread concern across the House about the importance of ensuring that children are properly protected from harm at the hands of abusers.

Mr. Forth: The Minister is trying to be helpful, but it is asking us to extend our normal credulity when he says that, instead of a regular report, we should rely on the random tabling of parliamentary questions by assiduous Members. That is a new doctrine. Instead of the Government or their agencies reporting freely and openly to Parliament, we are to wait for Members to table questions. Given the Government's recent record of timeliness and openness in answering them, I do not accept that as a credible approach.

Mr. Hutton: With great respect to the right hon. Gentleman, he has misunderstood. I said that we were trying both to improve the spread of and access to information about this part of the Government's work, as well as responding fully to any parliamentary questions that hon. Members might wish to table. The two things are not exclusive. I am sure that he has never tabled a random parliamentary question.

Mr. Maclean: I am grateful for the Minister's attitude to new clause 2. Will he confirm that, when he says "we" intend to be as open as possible and "we" will publish information, he is speaking not only for his ministerial capacity in the Department of Health, but for Ministers in the Department for Education and Employment, the Lord Chancellor's Department and the Home Office?

Mr. Hutton: Yes. When I say "we", I am referring to the Government as a whole.

The right hon. Member for Penrith and The Border (Mr. Maclean) raised several questions. He and, I think, the right hon. Member for Bromley and Chislehurst (Mr. Forth) mentioned the information published about the work of tribunals. The Council on Tribunals publishes each December an extensive statistical report on the work in the previous year of a variety of different tribunals. It gives details on the number of tribunals in each area, statistics on the number of cases before them and the number handled, with or without a hearing. There is an existing mechanism for publicising information about the work of tribunals. This tribunal would be included in that statistical digest.

Hon. Members, including the hon. Member for South Cambridgeshire (Mr. Lansley), asked about the Department's current list, the consultancy index. There are nearly 900 people on it. Under the scheme, we receive between 12 and 15 referrals a month of people who should be included on that list. Each month, we carry out not 7,000, but 14,000 checks. I hope that those figures provide the House with better particulars about the existing arrangements.

We do not underestimate the difficulties or the extent to which abusers of children seek ways to avoid mechanisms for protecting children, but, by common

consent, the Bill is a significant step forward and will provide children with better safeguards. As I said, we shall ensure that the House is kept properly informed about the operation of the legislation and the Government's continuing work to deny abusers access to children.

Mr. Hammond: The Minister's answer to this question will be important to me in deciding how to proceed with the new clause. Will he assure me that if I or other hon. Members seek to obtain the information listed in new clause 2 through parliamentary questions, that information will be provided and those questions will not receive the standard answer that the information is not collated centrally or is available only at disproportionate cost?

Mr. Hutton: The whole point about the list is that it is operated by the Department of Health, so it is entirely our responsibility to collect and retain the information. If the hon. Gentleman were to table the appropriate parliamentary question, we would try, as we are required to do, to answer it as fully as we possibly could. I certainly invite the hon. Gentleman to table such a question. I would always be happy to correspond with him about those issues in detail and, if he thinks it appropriate, to place that correspondence in the Library of the House.

This has been a helpful, useful debate. I understand the spirit and the purpose behind the new clause tabled by the hon. Member for Runnymede and Weybridge, but, for the reasons already given by my hon. Friend the Member for Stourbridge, it would be unwise to include it in the Bill. I hope that I have given the assurances that many hon. Members have sought in the debate, and that the hon. Gentleman will therefore feel comfortable in withdrawing his new clause.

Mr. Hammond: I thank the Minister for his comments. I am sorry that he felt it necessary to spoil the mood of consensus, and I assure him that we need take no lessons on transparency and openness from him because he talks a good game, but there is precious little evidence that the Government are putting their rhetoric into practice. However, I thank him for his willingness carefully to consider how to ensure that appropriate information will be made available.

I was a little disappointed that my right hon. Friends the Members for Bromley and Chislehurst (Mr. Forth) and for Penrith and The Border (Mr. Maclean) were somewhat critical of new clause 2. It did not escape my notice that my right hon. Friend the Member for Bromley and Chislehurst, who said at the beginning of his remarks that he was critical of my new clause, gave one ground for criticism, but my right hon. Friend the Member for Penrith and The Border, who said at the outset that he was supportive of the new clause, went on to give two grounds on which he objected to it. That lesson will not be lost on me.

I understand the valid points that have been made. My right hon. Friend the Member for Bromley and Chislehurst argued eloquently for the need for annual reports on the operation of the measure. My right hon. Friend the Member for Penrith and The Border suggested that the new clause might need to be broadened to include information from other Departments.

In framing the new clause, my attention was focused on the need to assess the impact of what my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) described as a step change. A single report of information would allow me to assess the Bill's impact in producing that step change.

Mr. Maclean: I intervene to save me from having to make further remarks at the end of this comprehensive debate. Will my hon. Friend urge the Minister to study the reports published by the Criminal Injuries Compensation Board, which is a quasi-tribunal and, in its report, not only gives statistics, such as the number of cases handled, but gives an overview of trends, and offer recommendations and suggestions for the future? Through my hon. Friend, I urge the Minister to adopt that model as a means of reporting on how the Bill and other child care legislation progresses.

11.45 am

Mr. Hammond: I am certainly happy to urge the Minister to take note of my right hon. Friend's comments, and I am sure that he will do so.

I sense that the House views this issue as worthy of further consideration. There may be arguments for having annual reporting requirements and for extending them beyond the rather narrow remit that I have suggested in my new clause, and I suspect that those arguments will be considered in another place.

In the meantime, the Minister's implication that I could serve my immediate purpose by seeking information on a one-off basis through written questions is greatly reassuring. That satisfies my purposes, but it may not go far enough to satisfy the concerns that my right hon. and hon. Friends have expressed. Perhaps those will be dealt with in another place.

I am persuaded by the weight of the arguments that I have heard, and I therefore beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 2

INCLUSION IN LIST ON REFERENCE TO SECRETARY OF STATE

Ms Shipley: I beg to move amendment No. 19, in page 1, line 16, leave out

'any of the following conditions is fulfilled'

and insert

'there is fulfilled—

(a) any of the conditions mentioned in subsection (2) below; or

(b) the condition mentioned in subsection (2A) below'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 20, in page 1, line 17, after 'conditions' insert

'referred to in subsection (1)(a) above'.

No. 35, in page 2, line 9, at end insert—

'(c) that information has come to light such that the organisation would have dismissed him had it been aware of the information at the time'.

No. 21, in page 2, line 9, at end insert—

'(2A) The condition referred to in subsection (1)(b) above is that—

[Mr. Deputy Speaker]

(a) in circumstances not falling within subsection (2) above, the organisation has dismissed the individual, he has resigned or retired or the organisation has transferred him to a position within the organisation which is not a child care position;

(b) information not available to the organisation at the time of the dismissal, resignation, retirement or transfer has since become available; and

(c) the organisation has formed the opinion that, if that information had been available at that time and if (where applicable) the individual had not resigned or retired, the organisation would have dismissed him, or would have considered dismissing him, on such grounds as are mentioned in subsection (2)(a) above.'

No. 37, in page 2, line 19, leave out

', if he thinks fit,'.

No. 22, in page 3, line 9, after '(2),' insert '(2A),'.

No. 24, in clause 3, page 3, line 16, after 'above' insert

', or the condition mentioned in section 2(2A) above,'.

No. 34, in page 3, line 22, leave out

', if he thinks fit,'.

No. 27, in clause 13, page 9, line 43, after '(2)' insert

', or the condition mentioned in subsection (2A),'.

Ms Shipley: The amendments deal with a point that came up in Committee, with which it was not possible to deal then. It related to the need to ensure that the ability to refer names to the Secretary of State for inclusion on the Department of Health list was not limited to more or less the immediate circumstances and timing of a person's dismissal, resignation, retirement or transfer, when there was no information available to the employer to suggest that there were grounds that would justify reference. Accordingly, the amendments will permit reference where such further information subsequently becomes available, but without requiring child care organisations automatically to review all past cases.

That effect is achieved as follows: amendments No. 19 and 20 are paving amendments for amendment No. 21, and amendments Nos. 22, 24 and 27 are consequential to amendment No. 21. The latter provides that the capacity to refer names to the Secretary of State extends to circumstances where, after the dismissal, resignation, retirement or transfer of an individual, it becomes apparent to a child care or other organisation that, had the relevant information been available at the time, it would have dismissed that person, or considered dismissing him or her, on the grounds of misconduct that harmed a child or put a child at risk of harm. Referrals made on that basis will be dealt with on exactly the same basis as other referrals made under clause 2.

The amendments lay down no time limits because, as experience has sadly demonstrated, in some cases it could be many years before evidence of misconduct became available. Such delay does not make such cases any less serious, and there seems no reason why they should not be acted on if there are sufficient grounds.

In the older cases, the Secretary of State must, under the duty imposed on him by clause 2(3), have particularly careful regard to the quality of the relevant evidence before deciding whether it may be appropriate to include the individual in the departmental list. Thereafter, under clause 2(6), he will need to be satisfied that the organisation has reasonably concluded that the individual is guilty of the alleged misconduct and unsuitable to work with children. If such cases came before the tribunal, no doubt it would also consider them carefully in the same way.

If the Secretary of State is satisfied under clause 2(3) that the reference should be accepted for consideration, there seems no reason why the ordinary clause 2 procedure for provisional listing should not apply to those cases, as to others.

I commend the amendments to the House.

Mr. Hammond: Amendment No. 19 is indeed important. It addresses an aspect that aroused considerable concern in Committee—an aspect which, I think that it is fair to say, members of the Committee were not aware of as a problem until part of the way through their deliberations. Essentially, it deals with the situation where new information becomes available after the event—the situation where an employee is dismissed by, or resigns from, an organisation or is moved on into a position that is not, in the Bill's definition, a child care position, without there being any suggestion or any knowledge at the time that that dismissal, resignation or promotion was within the scope of the referral requirements in the Bill. Then—perhaps, as the hon. Member for Stourbridge (Ms Shipley) said, very many years later—information emerges that shows matters in a different light.

Sadly, that is frequently the way in which such cases develop. In the past few years, in the London borough of Lambeth, information has gradually come to light to suggest that, over a period of very many years—perhaps decades—systematic abuse has been carried on by employees of that borough. It is only now, perhaps, that the people responsible are being traced and identified.

The cases in north Wales, which I believe shocked everyone in the country when they came to light a few years ago, and in relation to which police investigations are on-going, also show that it can take many years—perhaps decades—to unravel the full truth of what has happened. It is likely that such referrals will not be a rare and unusual occurrence; indeed, they could make up a very significant percentage of total referrals.

Amendment No. 21, the key amendment in the group, goes a long way towards addressing that issue, but some questions arise. The hon. Member for Stourbridge did not deal with the issues that have been playing on my mind. Perhaps, when I have explained what they are, she or the Minister will offer some thoughts to the House on those issues.

I confess that I am not a lawyer. Perhaps "confess" is not the word; maybe, given the current mood, I should proclaim from the rooftops that I am not a lawyer. Nevertheless, I am concerned about the proposals. The first question in my mind is whether the provision of a totally open-ended arrangement, which would allow a person effectively to remain in jeopardy of a referral for ever, falls within the concept of some kind of limitation on jeopardy which, as I understand it, as a layman, is one of the principles of our legal system. I shall leave it to others who are more knowledgeable in such areas to address that issue.

The issues that bother me relate to the effectiveness of a referral under the amendment. Is it intended—as I took it to be when I first read the amendment—that a person

placed on the list as a result of a retrospective referral would suffer the same disabilities and be dealt with in the same way as any other person placed on the list?

Clause 7 addresses itself to an organisation that is proposing to offer child care employment to an individual; and it requires that organisation, at the point in time when it is considering offering such employment to an individual, to check that that individual is not on the list. If the individual is on the list, it requires that organisation not to offer that individual employment.

The situation will be different in the case of retrospective referrals, where the individual in question may have—in most cases, probably will have—moved on to other employment, perhaps in a child care position. By the time that such information comes to light, that individual may be working in a position of trust—a child care position—giving him or her access to vulnerable children. He or she may have been employed in that position for 10 to 15 years, apparently without incident, and then, as a result of the coming to light of information relating to a former employment, that person might be referred to the Secretary of State and their name included in the list.

What would happen next? Must the Secretary of State inform the current employer of the person in question? Must the person in question inform his current employer? What is the status of his employment? Will he be allowed to continue in that current position, as though his name had not been included in the list? On the face of it, that must be the case; there is no mechanism in the Bill to require a person, on being included in the list retrospectively, to be dismissed from a position of responsibility in relation to children.

There is nothing that I can see that would make it an offence to continue employing a person in such a position. Even if an employer became aware that that person had been entered on the list and decided of his own volition, regardless of any requirement on him in the Bill, to dismiss that person, it is not clear to me—of course, I am not an expert on employment law—whether the employer would be within his legal rights to dismiss a person who had worked for 10 or 15 years without incident, merely as a result of information coming to light about something that had happened much earlier in that person's life.

We need to understand the effect of a person's retrospective inclusion on the list. If, as I suspect, the Bill as drafted would not provide that such a person had to be dismissed, we would end up with an anomalous and potentially unsatisfactory situation. A known paedophile could be allowed to continue in child care employment because the information took some years to come to light. It seems that there is a problem there. It would be widely perceived as unacceptable that, once a person had been deemed suitably offensive to be included on the list, there was a possibility of him or her continuing in employment that gave access to vulnerable children. In my view, it would not be acceptable if such a retrospective inclusion had force to it only when that person sought to move on to seek new employment.

I raise these questions in pursuit of information. I do not quite understand how the amendment is intended to address the issues that I have raised within the structure of the Bill. I look forward to some answers to my questions. That is not to say that I do not welcome the measures that have been put forward by the hon. Member for Stourbridge; it is important that there should be the provision that she seeks to put into the Bill. I am merely anxious that it should have some teeth. I want it to be effective in ensuring that, where someone's misdeeds come to light retrospectively, they are dealt with. I want that person to labour under the same effective disabilities as people who are dismissed in circumstances where their unsuitability for child care employment is known at the time of dismissal.

12 noon

Ms Margaret Moran (Luton, South): I support the amendments tabled by my hon. Friend the Member for Stourbridge (Ms Shipley), and especially No. 21. In a sense, it epitomises all that was best about the way we worked when considering the Bill in Committee. Constructive criticism of parts of the Bill and cross-party co-operation were evident throughout our discussions. The amendment arises because of intensive discussion of various clauses, which revealed that there was a potential loophole that we had not foreseen and we needed to close. All members of the Committee are to be congratulated on the way in which they identified potential difficulties and potential risks to children. My hon. Friend is to be congratulated especially on the constructive way in which she introduced the amendment, which was revealed to be necessary at quite a late stage in Committee.

I beg your indulgence, Mr. Deputy Speaker, to be allowed to take this opportunity to thank a number of people who were extremely helpful when we were examining the Bill in Committee and thereafter. Many wiser, if not older, Members and Officers of the House have been extremely helpful in advising many of us who are novices when it comes to private Members' Bills. I hope that they feel that their reward is a much better Bill.

The Bill is very much a balance between civil liberties and the rights of children. If it is perceived sometimes to be on the side of the rights of children, we make no apologies for that. It is a difficult and delicate balance to strike. If we are in this place for anything as parliamentarians, it is to protect the most vulnerable. That is the balance that we must always strike.

The clause is crucial in ensuring that we block a loophole that could enable those seeking to abuse their position of power in respect of children to gain employment at a much later stage once further information has become available. The Bill is very much a building block. It will not provide the comprehensive protection for children that we all seek, but it will be one of a series of measures that I know will be introduced by the Government to try to ensure that there is the most comprehensive protection for children that we can provide.

I take this opportunity to congratulate the *Luton Herald and Post*, which is campaigning in my constituency for the rights of children who have been abused. The newspaper has brought to me many examples that have been helpful in identifying possible loopholes in the Bill which need to be identified. I think that it deserves our congratulations. It has provided a fine example of sensitive and responsible journalism.

The amendment is the result of the serious work that was done in Committee. It was said in Committee that concern remained that there were instances where information could come to light at a much later stage

[Ms Margaret Moran]

when the person concerned might have ceased to be employed in a child care role. The spirit of the Bill is that such cases should be within its ambit, but its drafting meant that that issue could not be addressed at that stage. My hon. Friend the Member for Stourbridge has consulted widely on closing that loophole, and the amendment is the result.

We must ensure that the ability to refer names is not limited to the immediate time and circumstances of dismissal or resignation, when no information suggesting grounds to justify a referral would be available to the employer. Accordingly, the amendment permits a referral to be made when such information becomes available subsequently.

The amendment does not provide for a time limit. Some hon. Members may be concerned about that, but it is difficult to specify a time limit because information can come to light after many years, as the cases in north Wales, for example, have shown. There may be many years of investigation before the truth of the circumstances of child abuse comes into the public domain. It would therefore be unjust to specify an arbitrary time limit, which could allow those who had previously been involved in child abuse to slip through the net. None of us, in retrospect, could justify that happening.

As no time limit is provided for, the Secretary of State would have to deal with such cases with great sensitivity—the abuse may have taken place some time ago, there may be complications and the investigations may be lengthy. The Secretary of State would have to ensure that there was justice for the person who had been accused, but also, and more importantly, for the children, who may have grown up by the time a case is brought.

The terms under which the Secretary of State would be required to investigate such matters are very important, and we will expect particular care to be taken with the quality of the evidence, which may be quite old. However, the fact that abuse took place a considerable time ago does not lessen its seriousness. Indeed, in many cases it gives it greater import—if there is a chain of incidents that has been recognised only latterly, the passage of time does not lessen the impact of abuse on the children concerned.

As a former council leader, I am all too painfully aware that child abuse can be discovered long after it has occurred, perhaps after rafts of personnel changes in a children's home or because political leadership has changed. Matters that were not brought to light before either professional or—dare I say—political protection was put in place are sometimes revealed only after a long period, when there is a change of staff or of political personnel. It is sometimes hard for people to admit that, but, once such matters have been identified, it is incumbent on all those in positions of authority to ensure that further abuse is prevented and that a referral is made as swiftly as proper investigation allows. That is the essence of the amendment.

I asked the social services department of my local authority whether it had had similar experiences or had similar concerns. It drew to my attention an example from about three years ago. A man had gained employment with the former county council education department as a peripatetic teacher, which gave him access to children's homes. By chance, the man was spotted outside a school by a former teacher, who remembered that, many years earlier, he had left a teaching post in the county, having been confronted with very serious concerns about his behaviour around young male pupils. That behaviour included hanging around showers, taking the children camping and making special friends with certain children.

When staff in the education department made inquiries outside the county, they found that the man had left his previous employment in similar circumstances and that there had been a repeat pattern. They had been tipped off that he might have held several jobs in schools outside the county and left them in similar circumstances, and their investigations proved that suspicion to be correct. Thus, many years after the original occurrences, it came to light that the man had a history of behaviour that would have made him subject to disciplinary proceedings had he remained in his job. However, he had left those jobs to avoid disciplinary action.

Such a pattern of behaviour is not unusual. It is what Luton's assistant director of social services referred to as a good example of the operation of a "smart" paedophile. That is what the Bill seeks to prevent. In this instance, Luton social services had the opportunity to take action and investigate the man's previous behaviour because he was still employed with them. However, what would have happened if that information had come to light only once the man had resigned from his post and moved elsewhere? That is precisely the problem that the amendment seeks to address.

Mr. Hammond: The hon. Lady says that that is precisely the problem that the amendment seeks to address. What is her understanding of what happens to a person in that position once he is uncovered in his new post?

Ms Moran: One would certainly expect that an employer who had taken on someone in good faith, believing him capable and entitled to work with children, but who subsequently discovered that he was not reliable would take disciplinary action under employment law. To do anything else would be deemed negligent. Like the hon. Gentleman, I take pride in the fact that I am not a lawyer, so I cannot give him a definitive answer. Having been an employer responsible for a large number of employees, I expect that serious questions would be asked of the employer, who had that information to hand but who continued to allow such a person to work with children. Many such cases would be tested in court, but it would be unusual for an employer to be challenged for taking disciplinary and other action if previous evidence was substantial enough to justify the accusation that the person was not fit to work with children.

This important amendment embodies the hard work done in Committee to identify as many loopholes as possible in order to protect children. I congratulate my hon. Friend the Member for Stourbridge on tabling it, and I commend it to the House.

12.15 pm

Mr. Maclean: This is an important group of amendments. I want to speak briefly in support of the amendments of the hon. Member for Stourbridge (Ms Shipley). As I was putting together my notes before

the debate, I realised that the amendments that I have tabled, perhaps in a less professional capacity, mirror those of the hon. Lady. I hope that my hon. Friends are not appalled that I have tabled amendments that drastically infringe on civil liberties, but I want some limitations on the extent to which we can go back in time to deal, quite rightly, with those who have probably or possibly been abusing children and have moved on to other employment. If is perfectly right that they should be caught within the scope of the Bill, but I have a few questions about the time limit and about how far one can go back.

Amendment No. 35 is in this group, but I want to say a few words about my other amendment, which is slightly different from the general thrust of the amendments that we have discussed so far. Amendment No. 37 would require the Secretary of State to allow an individual who has been referred to him to comment on the observations of the organisation that so referred him. The justification of the amendment is that an individual should have an automatic right to know what comments his organisation has made about him, given the seriousness of a referral to the Secretary of State for inclusion in the list.

The Bill requires the Secretary of State to invite observations from the employee on the information submitted by the organisation when it makes the reference, but not on any subsequent observations that it makes, in particular on the employee's comments. The amendment is intended to help to reduce the likelihood of malicious referrals by employers against which the employee has little redress.

Given the seriousness of a referral to the Secretary of State—and rightly so—should an employee not be able to respond to all the criticisms or allegations made by an employer? We must avoid the situation in which accusations and counter-accusations are made which go back again for a response. We must not spend weeks and weeks on pleas and counter-pleas from the lawyers.

Mr. Hammond: I seem to remember that we discussed this matter in Standing Committee. If my right hon. Friend's amendment were carried, would there not be a danger of a perpetual ping-pong? The Secretary of State is required to invite observations from the individual on information submitted with the reference, but, if he has to submit observations from the individual back to the organisation, and the organisation's observations back to the individual, the process could potentially become a method by which the individual could delay progress in determining the outcome.

Mr. Maclean: As my hon. Friend describes it, that would be the case, but I want to avoid it. I am happy to say that my amendment is a probing one, and is trying to deal with a point in principle. If, as drafted, it would result in a never-ending ping-pong, that is unacceptable and I do not want that. I do not want a ping-pong over five or six months. Perhaps we should impose time limits or require that there should be only two referrals or one claim and counter-claim. I am not sure about that, but I am fairly certain that the present situation may not be entirely fair.

This is a drastic step. If an individual is referred and it sticks, he will be on a nasty blacklist, and rightly so. We may refer to it as the Department of Health list, but we know what the press and the media will call it: it will be called the perverts list of total unemployables, who will be regarded as the vilest people on this earth. Some of them are the vilest people on this earth, but it is important that people referred for inclusion on the list are allowed to offer some defences. I think that the individual should have a chance to say, "I am sorry; the allegation is not justified. These are the facts." Perhaps it should stop there, rather than bouncing back two or three times.

The only other comments that I wish to make relate to other amendments that I have tabled, but, in a different form, were drafted more ably by the hon. Member for Stourbridge. We have made excellent progress today, and much of what we will discuss before Third Reading—now that we have dealt with new clause 1 and this group of amendments—is technical; but there is an important point of principle. Is there a case for limiting the period for which the clause should apply?

Having read the report of the Committee stage, I concluded that the Government, and the hon. Lady, felt that, although it often takes years for information about misconduct to become available, there was no reason why such information should not be acted on if there were sufficient grounds for action, and if special care was taken in regard to the quality of the evidence in particularly old cases. That is all right as it stands, but I need to know from the Minister what constitutes a particularly old case. Is it five years—a period that was mentioned in Committee—10 years or 15 years?

I also want to know what constitutes special care. The Government say that they wish to act—or the Minister may wish to make his decision—provided that, in a particularly old case, special care is taken to ensure that they get it right. Perhaps this is just a case of loose terminology. We think that we all know what "special care" means, but do the Government intend to provide internal guidelines to deal with particularly old cases, and to ensure that "special care" means exactly that? I should also like to know whether they have made any assessment of the implications for compliance with the European convention on human rights.

Like clause 2, the amendment includes a requirement to refer an individual to the Secretary of State when the organisation concerned

"would have considered dismissing him",

as opposed to "would certainly have dismissed him". In England and Wales, before someone is charged with an offence the case is referred to the Crown Prosecution Service, which has its own yardsticks. Those yardsticks may be subjective in some respects, but generally they are fairly objective. Throughout England and Wales, the CPS should operate according to the same yardstick: is there sufficient evidence to justify the bringing of criminal charges? The Bill proposes a different yardstick. Hundreds of organisations—multifarious organisations—must ask themselves, "Would we have considered dismissing this person?"

I see from the Order Paper that an early-day motion has been tabled by hon. Members who are critical of an organisation—it is not involved in child care—that has, in their view, ruthlessly sacked 300 employees at Heathrow for no good reason. Some organisations decide to dismiss staff quickly and ruthlessly, on the basis of slimmer evidence than that used by other organisations. Admittedly, child care organisations operate under fairly

[Mr. Maclean]

tight criteria, or at least we hope that they do, but some big professional child care organisations may be told by personnel officers or legal advisers that, to satisfy existing regulations relating to the dismissal of staff, if they are considering dismissing staff they must ensure that certain important factors are present—that there are more objective criteria for the consideration of whether dismissal is appropriate.

No doubt, when the Bill is implemented, some of those big organisations with access to information from personnel officers or legal advisers will tell bosses, employees and, indeed, their own personnel officers what should be in their minds. No doubt they will specify the extent of the criminality, or wrongdoing, that would have to be involved before dismissal was a legitimate consideration. That is what I want, and doubtless it is what the Government want. Hundreds of other organisations, however—small organisations, perhaps—will not have access to the same personnel procedures, and will consider dismissal if there is the slightest whiff of a suggestion that an employee has been behaving improperly. It is possible that quite junior staff will say, "You have been up to bad things. We will consider dismissing you." Conversely, the matter may be referred to those higher up in the organisation, and a decision may be taken not to consider dismissal.

I hope that the Minister understands the point that I am trying to make. Whereas the Crown Prosecution Service uses the more objective yardstick of whether there is sufficient evidence to justify a decision to prosecute, the provisions would be applied by hundreds—or thousands—of child care organisations, and they might not all apply the same objective yardstick in determining what behaviour merited consideration of dismissal.

As there is no definition of "consideration", various retrospective cases could be referred. In some of them, consideration might have been at board level, where half a dozen people were involved and took a serious decision. However, other cases might have been decided somewhere else, where, after a fleeting few seconds of consideration, those making the decision said, "We'll sack that bloke, because he must be a pervert." Although that would also be consideration, it would be very flimsy consideration, and it might be completely unfair and unjust.

I shall not labour the point, as my hon. Friend the Member for Gainsborough (Mr. Leigh) is more legally qualified and a lawyer whom I respect. I hope that he will catch your eye, Mr. Deputy Speaker, as he would be able to make the point better than I can. It is an important point.

Although I am happy that the amendments should deal with retrospectivity, I am concerned that there should be both a cut-off point and a quality yardstick in determining proper consideration of dismissal.

Mr. Leigh: This is a difficult group of amendments to speak to. No one takes a stronger view than I do of the iniquity of those who indulge in bad behaviour with children. They have to be rooted out, and action must be taken to ensure that they are not put in the proximity of children. I hold that view as strongly as any other hon. Member. However, I am somewhat concerned by the amendments—although I am probably not so concerned about them that I should like unduly to delay the House or to vote against them. Nevertheless, I feel that it is my duty to sound a warning.

Although we all appreciate that the hon. Member for Stourbridge (Ms Shipley) is extremely well-intentioned, and that she is trying to make her Bill as watertight as possible, some concerns about civil liberties should be expressed about this aspect of the Bill.

I should give a simple example. An individual works in child care for an organisation and does his job perfectly satisfactorily. There has been no complaint against him or, if there has been one, it has been dismissed as trivial. Subsequently, he is promoted to another part of the organisation; or, without being dismissed, he moves on to another organisation in another part of the country; or he retires.

Then—five, 10, or 20 years later—someone makes an allegation about him. The allegation does not relate to his current job, and cannot be attested to by available witnesses, but deals with something that happened in an organisation for which he worked previously, possibly many years before.

If I describe the matter in those terms, perhaps the House will begin to understand why some hon. Members have some concerns about the provision. Although people living in a free society quite rightly take a very serious view of that type of allegation and seek to protect children, we also believe that one of our duties is to protect innocent people.

Mr. Hammond: Does my hon. Friend agree that the circumstances in which information comes to light after many years are more than likely to be in the context of a police investigation? Certainly, the celebrated cases that were quoted in Committee all involved police investigations uncovering information about individuals.

12.30 pm

Mr. Leigh: Yes. That may indeed be true. That is why an amendment may be necessary. One can conceive of cases in which the circumstances are clear and the evidence is overwhelming. Equally, however, I have to follow the comments of my right hon. Friend the Member for Penrith and The Border (Mr. Maclean). Unfortunately, under the Bill as drafted, we may have to deal with allegations in a court of law. I may be wrong about that, and if so I shall be corrected, but somebody has to sound a note of warning.

As has already been said, there is no limit on the period involved. I understand that in respect of serious allegations that have been tried and tested, but perhaps the Minister should say something about the legal position in respect of the statute of limitations. We have a tried and tested procedure in our common law which has developed over many centuries—that, in dealing with civil matters, there has to be some time limit within which one has to take action. That stipulation, convention or rule has grown up not by chance, but for very good reasons.

Mr. Hutton: The hon. Gentleman is a lawyer—I respect his knowledge and expertise—so he will be aware that the statute of limitations relates to the bringing of a criminal or civil action. That is not what we are discussing here. We are talking about a previous employer referring

someone's name to the Secretary of State for inclusion on the list; so the hon. Gentleman's concerns about the statute of limitations are not strictly applicable.

Mr. Leigh: Of course I am aware of that, but it is applicable. Although we are not talking about a criminal or civil case, the effect of the listing could be very serious for the individual concerned. It could affect his career, his capacity to earn and much else. I take the Minister's point, but I am sure that he agrees that we must be careful about that.

Mr. Hammond: Does my hon. Friend agree that one of the concerns that has been expressed about the Bill is that the process is administrative rather than judicial, and that it is hardly reassuring for the Minister to tell us that the safeguards that would apply if it were judicial do not therefore apply?

Mr. Leigh: My hon. Friend has put that point extremely well. We are dealing with the possibility of serious consequences for an individual under a procedure that is entirely administrative, whereas judicial proceedings in other cases—whether in criminal or in civil law—may result in far less serious consequences for the individual concerned.

I am sure that the Minister will argue that, although there is no time limit, special care will be taken over the quality of evidence, especially in respect of an old case. He has said that the quality of evidence will have to be very clear and that there will have to be sufficient grounds. If that is his case, he needs to tell the House what special care will be taken in respect of matters that are alleged to have taken place many years previously.

Far from the hon. Lady reassuring me, my concern started to grow, particularly when she referred to what may have gone on in scout camps. How can we test evidence that may be extremely old? We may be dealing with an incident that occurred in a scout camp 10 years previously. I may have got it entirely wrong, but I am sure that the hon. Lady will realise that there may be some cause for concern.

Ms Shipley: As the hon. Gentleman was not on the Standing Committee, may I take the opportunity to clarify the matter? Sadly, in my view, the Bill is limited to a prescribed definition of child care, so it does not include the scouts.

Mr. Leigh: I am sorry, but the example of the scouts had already been used. I accept that the definition is limited to child care organisations, but, even without using the example of the scout camp, one can consider situations which, although they may be related to a prescribed child care organisation, may have been ad hoc or taken place years before, and witnesses may have moved on. In such cases, it may be difficult to test the quality of the evidence.

It is so much easier to deal with a recent case. Everything is clearer in people's memories. That is why I am worried. The Minister must reassure the House that the requirement for what he describes as special care and quality of evidence will be rigorously applied.

Mr. Hammond: Does my hon. Friend agree that there is another possible problem? If a long time has elapsed, it is possible that the organisation that should make the referral under the amendment will have ceased to exist. It would be unfortunate if people could slip through the net for that reason. Perhaps, in future, we should insert a provision to ensure that, if that happened, there would be another mechanism for referring the person to the Secretary of State.

Mr. Leigh: My hon. Friend makes a fair point, approaching the amendment from a different angle. We are talking about old cases, and organisations that may have changed their nature, so there may indeed be practical difficulties that need to be faced. The more we think about very old cases, the more problems crop up. That is why we have the statute of limitations in the ordinary law, and the entire legal process, for good reasons, is very careful about how it deals with old cases.

As with clause 2, amendment No. 21 includes a requirement to refer an individual to the Secretary of State where an organisation "would have considered" dismissing him, rather than "would certainly" have dismissed him. The Government say that the words "would have considered" are a sufficiently serious test to merit an individual's inclusion on the list. When dealing with old cases, we should worry about the use of such phrases, so I hope that there will be further consideration of what that language means.

The Minister may correct me if I am wrong, but, as I understand it, the amendments apply the ordinary clause 2 procedures for provisional listing to delayed cases. The aim is to ensure that, even in such cases, the benefit of the doubt will continue to be given in the interests of children. I can understand that. Children will be protected until the reference is determined.

However, for the individual, the problem of provisional listing is that its consequences are no different from those of permanent inclusion. As a result, any certificate obtained in respect of an individual would disclose the inclusion in the list and no child care organisation would be able to employ him or her.

There is a double, or even a triple worry—not only about how long ago the behaviour took place and about the quality of the evidence, but about the fact that, although somebody is only provisionally listed, presumably because there is some doubt, the consequences are as great as if that person were permanently listed. Some people would argue—as I would, without being an international lawyer—that that aspect could be in contravention of article 6 of the European convention on human rights, which states that a person is innocent until proven guilty. I understand the need for provisional listing if a case is current, but some of the cases will be older. Why would provisional listing be needed for a case that was many years old? The Government's lawyers will have advised the Government on the consequences of the legislation in respect of the European Court of Human Rights, but I hope that the Minister will deal with that point.

If there is to be no time limit on an individual's placement on the provisional list, will guidelines be issued on what would constitute a reasonable length of time? Will compensation be available to people who are placed

[Mr. Leigh]

on the provisional list but whom it is not found necessary to place on the full list, especially if they have spent some time on the provisional list?

Mr. Forth: My hon. Friend's suggestion for guidelines is intended to be helpful, but will it be possible to formulate guidelines that will be meaningful, practical and applicable? It is easy to resort to the use of guidelines, but they might not take us any further forward.

Mr. Leigh: I accept my right hon. Friend's strictures. It is easy—especially when the House considers behaviour that it finds horrific—to decide to take action and, when someone expresses concerns about civil liberties, to reassure the House that appropriate guidelines will be issued. The House may then lose interest and pass on to other matters, and we may not be able to have confidence in the guidelines.

The Government have stated that, after Royal Assent to the Bill, they will issue guidance to employers. Assuming that the amendment is accepted, I presume that the Government will also issue guidance to employers on what to do when the behaviour in question took place many years before. It is easy to envisage the difficulties that the Government might have in framing such guidance; it might be a thick document indeed.

Mr. Hammond: My hon. Friend referred to the important role that the guidance will play. Does he agree that it would have been helpful if draft guidance had been available during consideration of the Bill? Even at this late stage, it might be helpful if the draft guidance could be made available before the Bill is considered in another place.

12.45 pm

Mr. Leigh: That is a good point, and I would be much reassured if we were given some idea of the content of the guidance before the Bill becomes law. We need to know whether the guidance will be adequate and will cover those points that I have mentioned.

I support the amendments tabled by my right hon. Friend the Member for Penrith and The Border, because we must ensure—especially when considering acts that took place many years ago—that individuals have a right of reply at all stages.

I take the point that matters cannot be delayed unduly, as my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) said. There cannot be a sort of ping-pong game. However, there need be no undue delay, and I cannot understand why, if we are to recognise a fundamental right for which the House has fought for centuries, there should be no right to face an accuser. That right has been whittled away in many areas and people no longer have the right to cross-examine their accuser. However, there is a fundamental right to reply, even if in writing, against points made against anyone. I cannot see how we can both preserve that fundamental right and achieve what the Bill seeks to do.

I hope that the Minister can reassure me on those points. Above all, will he reassure the House that extraordinary care will be taken to ensure that people are not put in undue jeopardy, and reassure us also on the quality of the evidence for cases brought under amendment No. 19?

Mr. Hutton: I welcome the amendments tabled by my hon. Friend the Member for Stourbridge (Ms Shipley). They are very much within the spirit of changes made in Standing Committee. My hon. Friend has listened intently to reservations expressed about the scope of the Bill, including the request of the hon. Member for Runnymede and Weybridge (Mr. Hammond) to consider whether there is a loophole in the Bill. The Government and my hon. Friend accepted that there was a need to tighten the Bill and the amendments respond fairly to the concerns expressed. I am encouraged by the broadly supportive response to them this morning by Opposition Members and my hon. Friend the Member for Luton, South (Ms Moran).

I shall try to deal with specific concerns raised this morning, and with the amendments tabled by the right hon. Member for Penrith and The Border (Mr. Maclean). The hon. Member for Runnymede and Weybridge addressed two issues. First, he asked about the implications for someone included on the list when already in employment, and he referred to the scope of clause 7. Secondly, he asked what a Secretary of State would do about notifying a current employer about someone's inclusion on the list under the terms of amendment No. 19.

The hon. Gentleman was right to say that clause 7 applies to the offering of employment. It does not make it mandatory—nor should it—for an employer to dismiss someone who is on the list. To require that would significantly change the character of the Bill. We never had it in mind that the Bill should encompass that kind of mandatory sanction on employment.

I hope to reassure the hon. Gentleman by saying, as my hon. Friend the Member for Luton, South did, that it is pretty well established that an employer is entitled to take into account evidence of misconduct by an employee when deciding whether it is appropriate to continue to employ that person. Any such decision must be taken fully in accordance with employment legislation. Employers should act fairly to give appropriate notice or do anything else required by the existing legislation and the common law relating to contract. There is plenty of evidence in case law to support the suggestion that an employer can act in response to evidence of previous misconduct that directly relates to a person's ability to perform his or her current employment.

I should draw the House's attention to the preliminary report that we published in January on the future work of the interdepartmental ministerial group on preventing unsuitable adults from working with children. We are considering a range of new criminal sanctions that would make it a criminal offence for someone to seek employment if he or she is included on the lists of the Department of Health or the Department for Education and Employment, or to continue or remain in employment once included on those lists.

The hon. Member for Runnymede and Weybridge was rightly concerned about the effect of including someone on the list if we could not directly affect his or her employment when we thought that there was a risk to children. Taken in conjunction with existing employment

law and the range of new criminal offences that we envisage—and for which we are working up the detail—the overall provision will be comprehensive. There should not be any difficulty in dealing with people—I do not know how many there will be—who are included on the list for misconduct that took place a long time ago.

Mr. Hammond: I listened carefully to what the Minister said about employers' ability to take into account misconduct in a previous employment under existing employment law. As I have often said, I am not a lawyer, but I suspect that, once the employee has been in his new employment for a considerable number of years without incident, the ability to take into account previous misconduct must diminish—it is probably equitable that it should.

I am grateful to the Minister for explaining that measures that would make it a criminal offence for certain people to remain in employment are proposed. The amendment may thus have little bite at the moment, but it would become a paving measure which would have bite once the measures that the hon. Gentleman mentioned came into effect.

Mr. Hutton: I do not want the hon. Gentleman to assume that I am laying down some new principle of employment law; I am not. I am trying to summarise the situation as I understand it. Of course, he is right to say that every case must be decided on the facts. Employers' actions will be judged by the industrial or employment tribunal on the basis of whether they acted fairly in treating that misconduct as sufficient reason for dismissal. That is the existing corpus of employment law and I hope that I am not implying any substantial modification of it—I am not in a position unilaterally to do so. Each case must be decided on its merits. The hon. Gentleman made a fair point: the employer will have to judge the suitability of the employee and whether the evidence of which he has become aware is sufficient to justify dismissal.

We are working up the detail of those criminal proposals. I do not say that they are problem free, as there will be some problems. In particular, we shall have to take into account the fact that any criminal sanctions should apply only when a person is aware that he or she is included on the list.

That is a genuine problem and it is related to the second problem to which the hon. Gentleman referred. He asked what the Secretary of State would do about notifying the current employer that an employee had been included on the list under the terms of the amendment. There are some genuine practical difficulties. The question assumes that the Secretary of State knows where the person is employed, which may not always be the case. However, if we know the employer, the Secretary of State will notify him or her that a person has been included on the list. The Bill does not require us to do so, but, as a matter of good practice, we would always do that if the information came to our attention.

Mr. Hammond: For information, would the Secretary of State have access to the records of the Contributions Agency, which would be the best method of tracking an employee, who has a single national insurance number throughout his life?

Mr. Hutton: I am afraid that I cannot answer that question, but I will correspond with the hon. Gentleman about it. That might be an effective way to track an employee through the system. However, there are some genuine practical difficulties. I am not trying to pretend to the hon. Gentleman or to the House that the legislation is foolproof, and that we can simply press a button to ensure that child abusers are easily rooted out of the system. It will be difficult, as has been acknowledged.

The right hon. Member for Penrith and The Border raked over some concerns that were pretty fully aired in Committee, as did his hon. Friend the Member for Gainsborough (Mr. Leigh), although they were not the subject of his amendments. He mentioned the term, "would have considered dismissing". As I understand it, those words do not appear in his amendments and he is not attempting to amend the Bill in such a way now.

I shall try to deal with those issues briefly by repeating that we shall issue guidance to employers to explain how the legislation will work and to deal with the question of when a name should be referred to the Secretary of State. We can cover such concerns in the guidance.

The hon. Member for Gainsborough should not be so cynical about the ability of guidelines to be constructive and to help employers to pilot their way through the legislation. I accept that the scope of the Bill is considerable. That is why we accept the need to assist employers properly so that they can take the action that the legislation might require of them. I assure the House that the Secretary of State will discharge those responsibilities seriously.

On the rigour of decision making under clause 2, I refer hon. Members to clause 2(3), under which the Secretary of State has a specific function which he will have to exercise fully and carefully. We want to ensure, particularly given the general difficulty of such cases, that the decision-making process used by the Secretary of State is as rigorous, comprehensive and fair as possible to all concerned.

The right hon. Member for Penrith and The Border tabled several amendments, and I should briefly explain why the House should not accept them. I hope that he will understand. Amendment No. 35 duplicates, although not so well, the amendment tabled by my hon. Friend the Member for Stourbridge. The key amendment is No. 21. As she said, it provides scope to refer names to the Secretary of State in circumstances where it appears to a child care or other organisation that, after the dismissal, resignation, retirement or transfer of an individual, had the relevant information been available, it would have dismissed, or considered dismissing, that person on the grounds that the misconduct harmed a child or put one at risk of harm. As referrals made on that basis will be dealt with on the same basis as other referrals under clause 2, amendment No. 35 is unnecessary and has to some extent been overtaken by the amendment tabled by my hon. Friend.

The right hon. Member for Penrith and The Border also tabled amendments Nos. 37 and 34. They would be unhelpful because they would put a rigidity into the system that would not be conducive to good decision making. As drafted, the Bill allows the Secretary of State to exercise some discretion in considering whether to refer back to the parties for observations on the issue raised by a reference. Only when he is satisfied that he has all relevant information from the parties can he make a final decision on inclusion in the list.

[Mr. Hutton]

The purpose of the words that the right hon. Gentleman wants to delete is to ensure that the Secretary of State does not get caught up an endless round of correspondence with the parties in which no new issues are raised and existing ones are simply regurgitated. Removal of the words would oblige the Secretary of State to refer all correspondence to the other party for further comment regardless of whether any new issues had been raised. There is a risk that we might go around in circles, being unable to come to a decision about inclusion on the list, when all hon. Members have pressed the need for rapid, early decisions. An intended consequence of the amendment would be to make it harder to come to early decisions. We cannot accept it.

The hon. Member for Gainsborough asked whether people caught by this amendment, which was moved so well by my hon. Friend the Member for Stourbridge, should be exempted from the provisional listing procedures in clause 2. He felt that there might not be an argument for provisional listing in such cases. That is a fundamental point which raises the whole purpose and rationale of the provisional listing procedure. Its purpose is to ensure that, when the information is available and when the Secretary of State considers provisional listing appropriate, we do it. That will prevent people from seeking alternative employment in a child care position. It is an essential piece of the elementary framework of protection that we think that the Bill will provide. If we make an exemption for these admittedly difficult cases, we open the possibility that such people could move around the system, and we would lose them. That would be fundamentally contradictory to the Bill's whole purpose and rationale.

If the hon. Gentleman needs further confirmation—I am sure that he is assiduous in reading about this subject—he need only read Sir William Utting's report on the child safeguards review to find out exactly why we have decided that the Bill needs to include a mechanism for provisional inclusion on the list. That is an essential part of the effective protection that we want to offer.

I cannot recommend to the House the amendments in the name of the right hon. Member for Penrith and The Border, and I am sure that he understands that, but I strongly support the amendments tabled by my hon. Friend the Member for Stourbridge.

1 pm

Mr. Forth: The best summation that I have come across of the kernel of the problem with which the House has been wrestling lies in the record of the Committee proceedings, and nobody will be surprised to hear that it was given by the hon. Member for Denton and Reddish (Mr. Bennett). I am sorry that he is not present because, as I am sure my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) will agree, his contribution was most valuable to the Committee.

The hon. Member for Denton and Reddish said:

"We need to be certain that the Bill will catch someone who has been discovered committing wrongdoings long after he has left his job, but I am worried about how far back it is reasonable to go. I am also worried about false memory syndrome. On occasion, it may be difficult to go back very far. From my experience as a teacher, I know that it is relatively easy to mount a defence against the occasional false allegation that is made by a pupil if the events are fairly clear to oneself and one's colleagues. However, when one goes back further than five years, it is extremely difficult for justice to be done on either side."—[*Official Report, Standing Committee C*, 17 March 1999; c. 43.]

That sums up succinctly and elegantly the nature of the problem that we face.

As hon. Members have said during this brief debate, problems and anomalies arise when one starts to go beyond what my hon. Friend the Member for Gainsborough (Mr. Leigh) rightly pointed out is the normal philosophy of the statute of limitations, which has served us well for many centuries. The Bill would move away from that and say that it is not only legitimate, but desirable and necessary, to be able to reach much further back into times past, identify misdemeanours from that time which one has reason to believe may be repeated or may, in this case, put children at harm now, and take the appropriate action. That, as my hon. Friend the Member for Runnymede and Weybridge said in his opening remarks, makes the jeopardy open-ended. We must now try to deal with that difficult problem, which was so well summed up by the hon. Member for Denton and Reddish.

We are saying that a ghastly event, a long time ago, may never have been repeated, and regardless of the time that has passed since that event, if it now comes to light, it may be desirable to ensure that the individual responsible is debarred from employment, if he or she can be found. That challenges several bases on which we have operated our law for a long time, which is why the matter must be treated with extreme caution.

If people commit one offence that comes to light many years later, the philosophy of the statute of limitations kicks in. In addition, there will be doubt about whether they are likely to repeat the offence. There is also a practical difficulty, which was alluded to a moment ago, about whether they could be found. People who committed such an offence might then be thoroughly ashamed of it, and therefore change their identity and move jobs or location, perhaps several times. Women who committed such an offence could legitimately change their name by getting married. It may then prove to be very difficult to track down those people.

When the Minister was asked whether the national insurance number would be a reliable source of information in this case, I detected from movements off—if I may put it that way—in the Chamber, which the Minister could not see but which were visible to me where I was sitting, that the answer to that question was probably no. The Minister may have already received a definitive answer, and perhaps he can help us before we complete the debate.

The matter is important, because whether the person can be traced is relevant to the practicability of the provision. As, in some cases, a long period will have passed, that is a very significant consideration. Therefore we have a difficult combination of, on one hand, a challenge to some very long-standing legal principles and, on the other, significant practical difficulties.

All that leads me to wonder what the value of the measure will be. Given the many questions that have been asked about the relationship between the current employer and the individual involved; given that, although the Minister has said that changes to the law are coming down the track, we cannot take those into account but must deal

with current law; and given that the Secretary of State, in a sense, is put in the difficult and delicate position of having to judge that it is right, sensible or beneficial to pass on such information, the difficulties are very considerable indeed.

I am not saying that we should not admit the possibility of such a retrospective process taking place. I am simply left wondering whether we have taken sufficient account of the philosophy of the statute of limitations, or of the practical difficulties—to say nothing of the profound effect that such a process is likely to have not just on the individual, but on his or her family.

Mr. Hutton: The right hon. Gentleman again mentions the statute of limitations. I understand his concern, but he may want to be aware that for indictable criminal offences—the more serious sexual offences—there is no statutory time limit on prosecution.

Mr. Forth: I am very grateful for that helpful guidance.

I believe that I have said enough to show that I am uneasy about this approach, which should be monitored more carefully than many other provisions in the Bill that have caused concern. It is worth pondering whether such a matter would emerge as part of the reporting that we debated at length earlier. I hope that sufficient unease has been expressed to cause the promoter and the Minister to give the matter some thought.

The Bill will, of course, go to another place and there will be opportunities for it to be considered there, perhaps in light of some of these considerations. I believe that the difficulties are by no means an insurmountable obstacle, but every Conservative Member who has spoken has said that the matter should be looked at very carefully, and that, if possible, ways should be found to allay our fears, so that vulnerable individuals may be protected without our encroaching unacceptably on the long-standing liberties of individuals.

Amendment agreed to.

Amendments made: No. 20, in page 1, line 17, after 'conditions' insert

'referred to in subsection (1)(a) above'.

No. 21, in page 2, line 9, at end insert—

'(2A) The condition referred to in subsection (1)(b) above is that—

(a) in circumstances not falling within subsection (2) above, the organisation has dismissed the individual, he has resigned or retired or the organisation has transferred him to a position within the organisation which is not a child care position;

(b) information not available to the organisation at the time of the dismissal, resignation, retirement or transfer has since become available; and

(c) the organisation has formed the opinion that, if that information had been available at that time and if (where applicable) the individual had not resigned or retired, the organisation would have dismissed him, or would have considered dismissing him, on such grounds as are mentioned in subsection (2)(a) above.'

No. 22, in page 3, line 9, after '(2),' insert '(2A),'.— *[Ms Shipley.]*

Ms Shipley: I beg to move amendment No. 23, in page 3, line 9, at end insert—

'(9) Nothing in this section shall require a child care organisation to refer an individual to the Secretary of State in any case where the dismissal, resignation, retirement, transfer or suspension took place or, as the case may be, the opinion was formed before the commencement of this section.'

The amendment addresses and clarifies transitional issues that arise from moving from the old administrative system to the new statutory one. It provides that child care organisations will not be under a duty to refer cases where dismissal, resignation or retirement took place prior to the commencement of opinion in clause 2. It provides also that the obligation will not arise in relation to referrals made under subsection 2(2)(a) where the opinion that triggers a referral was formed before the commencement of the operation of clause 2.

The amendment also makes it clear that there will be no obligation on any organisation to trawl through its old cases relating to events that occurred before clause 2 was brought into effect. This will still enable an organisation to refer names where it thinks that there is a case for doing so. As I have explained, such cases will not be automatically entered into the procedure for considering listing by the Secretary of State unless and until he is satisfied that the person concerned is eligible under clause 2(3) criteria to have his name included in the list, particularly in the light of, for example, the age of the allegations, the distance of the alleged events, the reliability of the evidence and such other factors as are relevant in the circumstances of the particular case.

Mr. Maclean: This is an important little amendment, but I do not propose to delay the House for long. I shall ask a few probing questions. I listened carefully to the hon. Member for Stourbridge (Ms Shipley) and I admit that I do not fully understand the legal explanation that she gave. However, I think that I understand the effect of the amendment. It is that the Bill's provisions need not be applied retrospectively. It seems that the amendment provides that there is no obligation on child care organisations to refer cases where the dismissal, resignation, retirement, transfer, suspension or whatever took place, or the opinion on it took place, before the Act came into effect. Some of the other terminology that the hon. Lady used began to confuse me.

If the amendment does not require an organisation to refer to the list employees whose actions took place before the Act's commencement, it seems that it allows it to do so. It is permissive. There is nothing to stop the organisation making a referral. No doubt the Government are happy with the amendment. If they were not, we might not be at this stage. I ask the Minister whether there is an inconsistency. Is he worried that there might be one?

It seems to me that some employees who have been dismissed, possibly on quite serious grounds, will not be referred to the list because their employer is not required to implement the provisions of the Act retrospectively. There will be other employers, however, who will be more meticulous than others. However, they will not be required to trawl through and check their books for the past 20 years and come to an opinion on whether they had an abuser on their books. None the less, some organisations may wish to enter into a research project in looking back through their books on their former employees, or existing employees, to satisfy themselves that they have suitable procedures in place.

[Mr. Maclean]

In undertaking that research, an organisation may discover that it has an individual or individuals who could be referred, and it would be permitted to do so. Other organisations may say, "We are permitted to refer, but we are not going to." Others may not bother to undertake the research. I know that we never pass any legislation that is tidy, clean and neat and packs and parcels everything up in one neat box, but in this instance there is a difficulty. It is not such a difficulty that I would be tempted to oppose the amendment or vote against it, but I ask the Minister whether it would lead to the possibility of a messy inconsistency. Could it lead to judicial review proceedings?

As I have said, some organisations are meticulous. They will be permitted to refer and they will do so. Other organisations may be sloppier or may not want to start looking backwards. They may not want to make inquiries because they are fearful of what they might discover. They may take the view that it is better to accept that there is no obligation to go back and look at what had happened before implementation of the Act. They may close the books on what had gone on before. That inconsistency worries me.

I have only one other point to make, and I shall not criticise the Minister if he does not have the information to hand; perhaps he will write to me in due course. What are the precedents for retrospective application? When I ask about the precedents for Government action, they may be able to dig out something that I did in the past few years.

Mr. Forth: Surely not.

1.15 pm

Mr. Maclean: It is appalling that the Government should even mention that I may have done similar things in my past life. I suspect that the Minister will not have the information to hand, but I should be grateful to be informed of any precedents for retrospective application.

Mr. Forth: The remarks made by my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) raise an interesting question concerning how long previous ministerial misconduct can be taken into account in this place.

The Minister of State, Home Office (Mr. Paul Boateng): In the right hon. Gentleman's case, for ever.

Mr. Forth: For quite a long time, but my right hon. Friend and I will have to learn to live with that. Following on from the thrust of what he said, I am worried about and intrigued by whether we are being consistent.

When we debated the previous amendment, which has been accepted, it was argued that we must be worried about what people have done in the past and must not put any obstruction in the way of the consideration of past misdemeanours and the application of the full force and benefit of the Bill. Having said that, we now seem to be saying that there is no obligation to consider what may have happened in the past. It may or may not be desirable, but, to use the intriguing word used by the hon. Member for Stourbridge (Ms Shipley), nothing provides that employers should "trawl" for previous offences or misdemeanours.

If we accept the thrust of what the hon. Lady argued only a few moments ago, however, I should have thought that obligatory trawling might be a good thing. I am anxious that we seem to be heading in two quite different directions. We have said that we must look back at past events and that they must all be taken into account, even if a long time has passed, but, if I understand correctly, we are now saying that there is no obligation to look back and that that may or may not happen, depending, presumably, on the employer's judgment or, more worryingly, on whether he is inclined, or can be bothered, to investigate.

If we have come down to that, a weakness may be beginning to emerge. An employer may not be inclined, or may not have the facility or the resources to trawl—to use the word used by the hon. Member for Stourbridge. Is there any danger that we are encouraging or creating a loophole?

We have almost reached the final stage in our deliberations on the Bill and we are getting it ready to be passed to the other place for further consideration. I have raised this question because I do not want such weaknesses to emerge at such a stage, although I am comforted because they could still be corrected finally by the revising Chamber, which, I am delighted to say, is still with us and is still doing such a wonderful job.

Mr. Hammond: I welcome the principle of the amendment, which closes what appears to be a gap in the wording of clause 2 and makes it absolutely clear that there is no requirement on employers to go back through their records and report what happened in the past. In the great generality of cases, that will be welcome clarification. Retrospective cases will be referred as a result of amendment No. 21 being agreed to, and this amendment will bring such cases into line with cases referred under the normal provisions of clause 2. It is equitable to do so.

Another problem occurred to me as the hon. Member for Stourbridge (Ms Shipley) was speaking. I may have misunderstood what she said, so I should like clarification. The hon. Lady noted, as did my right hon. Friends, that, although child care organisations will not be required to make a referral in relation to something that occurred before the coming into force of this measure, they will be permitted to do so. To a large extent, that simply reflects the current position, in which voluntary referrals can be made to the Secretary of State for inclusion in his non-statutory list. However, the hon. Lady said that voluntary referrals would not be included in the list until the Secretary of State was sure that they met the criteria set down in clause 2(3).

My understanding is that no one will be put on the list unless the Secretary of State is sure that he or she meets the criteria listed in clause 2(3), because it must appear to the Secretary of State, from the information submitted with the reference, that it may be appropriate for the individual to be included in the list before he or she is even provisionally included.

The implication behind the hon. Lady's remarks is that the way in which the Secretary of State will deal with voluntary references about events that occurred before the

Act comes into force will somehow be different from the way in which he will deal with statutory referrals after the Act comes into force. I am not sure, from what she said, how that is the case. I wonder whether she intended to imply that those who were referred voluntarily in respect of events occurring before the statute came into operation would not be subject to the provisional inclusion regime, but would be left off the list altogether until the Secretary of State had completed the processes set out in subsection (3) and made a decision, as is required of him in subsection (5). It would be helpful if the hon. Lady would clarify that point.

Ms Shipley: It might be worth my reiterating—I may have stumbled over my words—the precise wording, because it is very important. As with all aspects of this technical Bill, the wording must be precise.

As I explained, such cases will not be automatically entered into the procedure for considering listing by the Secretary of State unless and until he is satisfied that they are eligible under clause 2(3) criteria.

Amendment agreed to.

Clause 3

INCLUSION IN LIST ON TRANSFER FROM CONSULTANCY SERVICE INDEX

Amendment made: No. 24, in page 3, line 16, after 'above' insert

', or the condition mentioned in section 2(2A) above,'. *[Ms Shipley.]*

Clause 6

APPEALS AGAINST PROHIBITION OR RESTRICTION OF EMPLOYMENT

Ms Shipley: I beg to move amendment No. 25, in page 5, line 14, leave out

'of the Secretary of State'.

Mr. Deputy Speaker (Mr. Michael J. Martin): With this, it will be convenient to discuss amendment No. 26, in page 5, line 17, leave out

'of the Secretary of State'.

Ms Shipley: The amendments will allow the new tribunal to hear appeals against decisions by the National Assembly for Wales to put someone on List 99, as well as appeals against decisions made by the Secretary of State for Education and Employment.

The amendments are necessary because the powers of the Secretary of State for Education and Employment in section 218(6) of the Education Reform Act 1988 in respect of Wales will be transferred to the National Assembly for Wales. The transfer will include the power to bar teachers on the new grounds set out in clause 5. As a result, the new tribunal will have to be able to hear appeals from people who are barred by the Assembly as well as by the Secretary of State.

Removing references to the Secretary of State from clause 6 will enable the tribunal to hear appeals against any decision to put someone on List 99, regardless of whether the decision is made by the Secretary of State or the Welsh Assembly.

Mr. Maclean: I had not intended to comment on the amendment, but I have just one query which the Minister might be able to answer. If the words

"of the Secretary of State"

are deleted from subsections (1)(a) and (b), the first sentence is left hanging and reads "a decision . . . to prohibit". When I initially considered the amendment, I asked myself who would be making that decision. I now understand the reasons that the hon. Lady has advanced. As it will be either the Secretary of State in England or the Welsh Assembly in Wales, why leave it blank? Is there some good reason why the Bill cannot be amended to say "a decision by the Secretary of State or, as the case may be, the Welsh Assembly"? That would make it absolutely clear.

No doubt there is some technical, legal, drafting reason why that is not possible, and I do not want to delay the House as people frantically advance the reasons. If the Minister does not want to respond to me now, I am happy for him to send me a little note explaining why he wants to delete the reference to the Secretary of State and leave the provision anonymous, and why he does not want to take up my suggestion.

Mr. Hutton: The right hon. Gentleman is right. I am happy to correspond with him about that issue.

Mr. Maclean: I am grateful to the Minister.

Amendment agreed to.

Amendment made: No. 26, in page 5, line 17, leave out 'of the Secretary of State'. *[Ms Shipley.]*

Clause 8

SEARCHES OF BOTH LISTS UNDER PART V OF POLICE ACT 1997

Mr. Lansley: I beg to move amendment No. 30, in page 6, line 36, leave out 'subsection' and insert 'subsections'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 31, in page 6, line 48, at end insert—

'(6B) Where an application is made under subsection 3(A) or 6(A) above, the certificate shall be provided within such period of time as shall be prescribed by the Secretary of State.

(6C) Where the certificate is not provided within the time limit, no fee shall be payable in respect of that certificate.'

No. 32, in page 6, line 48, at end insert—

'(6B) Where an application is made under subsection 3(A) or 6(A) above, the certificate shall be provided within 25 working days of receipt of the request.

(6C) Where the certificate is not provided within the time limit, no fee shall be payable in respect of that certificate.'

Mr. Lansley: I am grateful for the opportunity to move amendment No. 30 in the name of my right hon. Friend the Member for Penrith and The Border (Mr. Maclean). I am doubly grateful to him for allowing me to refer to this issue, which, as members of the Standing Committee will recall, exercised us from time to time, especially me.

[Mr. Lansley]

In this trio of amendments, amendment No. 30 is a paving amendment for amendments Nos. 31 or 32. I say "or" advisedly, because they are mutually exclusive. The purpose of amendment No. 31 is to enable the Secretary of State at any time to prescribe a time limit within which a certificate must be provided under new subsections 3(A) or 6(A) of the Police Act 1997. This part of the Bill deals with the one-stop shop provision of certificates—either a criminal record certificate or an enhanced criminal certificate—through the Criminal Records Bureau.

It is worth noting that, although in other amendments we have tended to focus on the enhancement of referrals and lists and the opportunities for employers to seek information from those lists, a further benefit can be associated with the Bill under the existing system. The Criminal Records Bureau, which, unless Ministers tell me otherwise, will be established by the end of next year, will be able to provide this one-stop shop service.

As members of the Standing Committee will recall and other hon. Members may be interested to note, a number of issues were raised which should not be rehearsed now but could usefully be mentioned, given the presence of the Minister of State, Home Office. The Under-Secretary of State for Health gave us some comfort without making rash promises when he said that the Home Office would in future consider whether to waive fees for volunteers. I and other members of the Committee expressed concern about the impact or potential deterrent effect on people from voluntary organisations who want to volunteer to work with children and are suitable to do so but would have to pay fees to obtain a certificate.

I want now to move away from volunteers, because the Bill is concerned with employment. We are dealing with statutory bodies that are seeking to employ people. The legal obligation on any organisation seeking to fill a position will be to ensure that it obtains information about an applicant and does not employ a person who is unsuitable to work with children by virtue of his inclusion on any of the lists embraced by this and other legislation.

1.30 pm

I may be corrected, but it is my recollection that it would be illegal—an offence—to give someone who was included on the list a job that involved working with children. Having rightly strengthened employers' legal obligations, we must ensure that employers are able to fulfil those obligations in a timely and objective fashion.

Amendment No. 31 proposes that, when a certificate is provided, it must be provided

"within such period of time as shall be prescribed by the Secretary of State."

The purpose of the amendment is straightforward. The Secretary of State would be able not just to consider the obligations of the criminal records bureau in the provision of a certificate, but to weigh up the situation, to act as an intermediary, as it were, between the system governing the delivery of certificates and the requirements imposed on statutory regulatory bodies seeking such certificates, and to specify the period within which those certificates should be provided.

I know that employers often make a provisional offer of employment, subject to the production of the necessary certificates. The Bill is intended to ensure that unsuitable people should not be placed in a position of trust and responsibility that involves working with children, even—dare I say—for a short time. If that aim is to be fulfilled, an employer must know by the time an employee takes up his post that that person is suitable to work with children. Perhaps it would be more accurate to say that the employer must know that no evidence is available through the process to suggest that the person is unsuitable. If that is to happen, it must be before the date on which a provisional offer of employment becomes a real offer.

When a teacher is employed—the same applies for many other parts of the public sector—a month's notice is customary; that is, a month's notice of the leaving of one job, and, by extension, a month's notice before the taking up of another. If an offer of employment is to be made with a month's notice, a certificate should be made available within that period.

In Committee, it was suggested that a certificate should be provided within one calendar month. Ministers—understandably; the exigencies of administration are very great—felt that the Bill should not place such a constraint on the running of the system. However, were either amendment No. 31 or amendment No. 32 accepted, it would provide an incentive. Given the expectation that a fee will be charged for the provision of a certificate—in the past, figures of between £5 and £10 have been discussed—either amendment would give the bureau an incentive to provide that certificate within the time limit.

Mr. Hammond: Has it occurred to my hon. Friend that there could be a perverse effect? It will undoubtedly take a certain time for an organisation to make a referral after a dismissal, and for the Department of Health to process that referral. It would be a disaster if, in seeking to shorten the time taken to obtain information about an individual whom a new employer wished to employ, we brought about circumstances in which the application for information was made before information referred to the Secretary of State had found its way through the system.

Mr. Lansley: I understand my hon. Friend's point, which is interesting; let us think it through.

Let us say that, in the worst case example, someone working with children is resigning to escape the consequences of misconduct, and that the employer may be considering dismissal. The referral may take some time, but it should not take too long. Before providing a certificate for someone seeking a new position, the Criminal Records Bureau should not be made to wait long for information from that person's previous employer, and the organisation that the individual is leaving should be obliged to make the referral quickly. Perhaps that deals with the point.

We have to ensure that referrals are made quickly, and that the Secretary of State will rapidly consider the information and conclude whether there should be a provisional listing. It will have to happen within a matter of days.

Mr. Hammond: My hon. Friend is absolutely right, especially on his second point—that the Secretary of State will have to process the referral quickly. However, am I not right in thinking that the Bill includes no requirement for a referral to be made within a certain time of dismissal?

Mr. Lansley: My hon. Friend is right. We are able to posit a series of unhappy circumstances in which an

employer may be late in making a referral, the Secretary of State may be slow in making a provisional inclusion and someone who is leaving one employment in circumstances that should lead to a referral and listing may be able to secure employment somewhere else—perhaps even with the appropriate certificate and checks, but without anything being provided to the prospective employer indicating that that person is unsuitable to work with children. A consistent feature of our debates on the Bill has been our ability to posit a series of difficult circumstances.

The legislation will work, but only if all the bodies involved—employers, Departments and, eventually, the Criminal Records Bureau—show some rigour, speed and attention to detail. Perhaps my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) will agree that the circumstances that we have been discussing do not force us to conclude that the Criminal Records Bureau will, as a matter of course, be slow in providing a criminal record certificate. The burden should rest on others to be quick in making referrals and in ensuring provisional inclusion on the list, so that requests for criminal record certificates, or enhanced criminal record certificates, are filled effectively, accurately and in a timely fashion.

The heart of the issue is that those who are legally obliged not to employ people who are known to be unsuitable to work with children should not be placed in a position in which they inadvertently do so, and thus fail to meet their obligations, simply because the Criminal Records Bureau takes more than 25 days, or whatever other time limit is prescribed by the Secretary of State, to provide a certificate.

I am grateful to my right hon. Friend the Member for Penrith and The Border for having been sufficiently astute—and perhaps forgiving of the difficulties of administration in Departments, including the Home Office, in which he served with such distinction—in allowing for the possibility that the Secretary of State might, justifiably, set a time limit other than of 25 working days. As I said in previous debates in Committee, 25 days is the appropriate type of time limit, and it would be appropriate in this case.

I hope that the hon. Member for Stourbridge (Ms Shipley) will express some positive sentiment about the spirit of amendment No. 30, and that the Minister will perhaps be able further to reinforce his helpful comments on the process of providing certificates and on fees. Perhaps he will also be able further to reinforce his positive sentiments about how the system will work.

Mr. Maclean: I am grateful to my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) for kicking off on the amendment. I take credit only for reading what he and other hon. Members said in Committee, learning very quickly from their wise words and drafting the amendments. My hon. Friend has done an excellent job of introducing them, so I shall take just a couple of minutes to add emphasis to his comments and to let the House know that, although my hon. Friend has introduced the amendments standing in my name, I support them entirely.

There is merit in the either/or approach in the amendments. It is perfectly right for the Government to say that they do not want to be tied down to inflexible time limits of 25 days, for example. Therefore, it is legitimate to say that, if we do not meet certain fairly strict times, the fee should be returned. That might appease some of the organisations that are writing to us about the prospective level of fees.

We have all received letters from scouts' and girl guides' organisations and others. I know that they are not child care organisations, but they reflect the concern about the level of fee to be charged. All the child care organisations that are caught by the provision will be charged exactly the same fee unless the Government tell me otherwise and say that, as the matter was raised in Committee, they have reflected on the possibility of a graded scale of fees.

Such a scale would entail the Government's saying that some organisations were more deserving than others. That is a very difficult decision. I am not pressing on the Government, as I did not want to have to take such a decision. [HON. MEMBERS: "Oh."] I am happy to share that information with the House. I cannot remember what the final decision was or whether the matter reached a final decision in my time, but I certainly did not want to have to decide that certain organisations should be charged £1 and others £5 and that, if we were subsidising some organisations, others would have to be charged £20 or £30. However, I would be grateful for the Government's thinking on different graded fees and categories of applicant, whether they are volunteers or others.

Personally, I do not think that a fee of £10 will put off volunteers, nor do I think that it is a drastically high fee to charge an individual who is getting employment. It may be low-paid, moderately paid or quite highly paid employment, but it is not a drastic imposition. My hon. Friend the Member for South Cambridgeshire made the same point in Committee.

I should be grateful to know whether there is any more certainty about the level of the fee. It is now nearly three years since I asked my officials that question and they replied, "Well, Minister, the fee may be between £5 and £10." Three years on, the Government are still saying that it will probably be between £5 and £10. I should like to know whether it is nearer £5 or £10. Perhaps I shall get an answer when the Minister of State, Home Office occupies the Lord Chancellor's chair, as we are convinced he is deemed to do. Will we have to wait until that occasion before we can have certainty? I have made the points I wished to make, not to add emphasis, but to say that I agree entirely with the points that my hon. Friend has made so lucidly on my behalf and I should be grateful if the Minister would give us a little hint as to his thinking.

Mr. Hutton: It probably would be more appropriate if I confined my remarks to the amendment to which the hon. Member for South Cambridgeshire (Mr. Lansley) and the right hon. Member for Penrith and The Border (Mr. Maclean) have spoken. I am sure that it will come as no surprise to the right hon. Gentleman or to anyone else that I am urging my hon. Friend the Member for Stourbridge (Ms Shipley) not to support the amendments and to resist their inclusion in the Bill. Both suggested versions of new section 115(6B) of the Police Act 1997 would require the Criminal Records Bureau to provide a criminal record certificate or an enhanced certificate within a certain period—one within a period to be prescribed by the Secretary of State by order, and the other within 25 days.

1.45 pm

It is the Government's intention to publish target times for the issue of certificates. In the case of enhanced certificates, which will require information to be obtained from individual police forces, it is intended that there will be target times by which police forces should respond to requests for information from the bureau.

The targets have not yet been set, but I understand that the aim is to issue the certificates as quickly as possible. However, it would not be helpful to have a statutory time limit as the hon. Member for South Cambridgeshire proposes, because that would not allow us to take into account delays that might be caused by an incorrectly completed application form, a dispute about someone's identity, or other unforeseen delays that it would be unreasonable and unfair to attribute to the Criminal Records Bureau. It would be unreasonable for the bureau to have to forfeit the fee if a certificate were not issued within the time limit because of delays outside its control.

For those reasons, and others, I invite the hon. Gentleman to withdraw his amendment, and I urge the House to resist it if he is not prepared to do that.

Mr. Maclean: I have listened carefully to what the Minister has said—

Mr. Lansley: So have I.

I am grateful to the Minister for responding to the points that I made, and I see that there are difficulties. First, the Criminal Records Bureau might suffer a detriment through no fault of its own and, secondly, the last thing that I would want to do is to introduce a perverse incentive for those who wish to avoid the fee to submit false or inadequate information so as to create a delay.

I hope that the Minister—indeed, both Ministers who are here, with their respective responsibilities—will have taken on board the difficulties that I mentioned. The exchanges between my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) and me illustrated the importance of timeliness in the process. As there is consensus on the subject, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 9

THE TRIBUNAL

Mr. Forth: I beg to move amendment No. 16, in page 7, line 15, leave out 'in prescribed circumstances' and insert

'at the discretion of the Tribunal'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 17, in page 7, line 16, leave out 'in prescribed circumstances' and insert

'at the discretion of the Tribunal'.

No. 18, in page 7, line 36, at end insert

'; and

(e) for the location of hearings, to provide for reasonable access and security of the persons involved'.

Mr. Forth: I suppose that it is appropriate that this is our final consideration of the detail in the Bill before Third Reading rounds things off. It may seem that our consideration has been overly detailed, but some of the matters that I want to raise are important, because the tribunal will play such a key role. We must get the arrangements as right as we can.

The first thing that caught my eye was the suggestion in subsection (2)(e) and (f) that the Secretary of State may include in regulations provision

"for the holding of hearings in private in prescribed circumstances"

and

"for imposing reporting restrictions in prescribed circumstances".

It is a dubious proposition that even the Secretary of State would have sufficient prescience to be able to judge the likely circumstances in which hearings in private and reporting restrictions may arise.

Of course, we all have the greatest respect for existing Secretaries of State—and future Secretaries of State—but we are entitled to a little occasional doubt as to whether they, or even their advisers, would be able to look far enough into the future to make such predictions with confidence, especially given the sensitivities and the variations in circumstances likely to be involved in the hearings before the tribunal.

Needless to say, I would prefer the wording in my amendments Nos. 16 and 17, which would leave such matters to the tribunal's discretion. We are trusting the tribunal with so much else that we should trust it to make its own judgment on whether hearings should be in private and whether reporting restrictions should be imposed. Given the nature of the hearings, we might start with a presumption that they should be held in private and covered by reporting restrictions. That is an important question, and we have had no guidance on it.

The tribunal should be able to decide for itself, in the knowledge of the prevailing circumstances and the individual case. With the best will in the world, regulations could not make provision for all circumstances in a sufficiently sensitive and flexible way, especially as we do not know whether the presumption will be that reporting restrictions should be in force and that hearings should be held in private, with public hearings only in exceptional cases. It would be more respectful to the tribunal to allow it to decide for itself. We now have great experience of tribunals on different issues, and such decisions could safely be left to the tribunal in this case.

Amendment No. 18, I accept, makes the other argument. It would be useful to have regulations—which could still allow some flexibility—that made provision for the location of, access to and security of hearings. My reasons are well rehearsed. Hearings should be located so as to be as convenient as possible for those involved, their families and witnesses. However, that has to be squared with reasonable access—I do not mean only the obvious access for people with disabilities—and the need for security. Cases such as those that the tribunal will hear can occasionally give rise to strong feelings in communities and the need for security, especially on the part of the person at the centre of the hearings, should be fully taken into account.

I hope that my amendments will be accepted. It is reasonable to request that the tribunal should be given a proper role in deciding its proceedings, and we should also be sensible about the difficulties that may arise.

Mr. Maclean: I support the amendments tabled by my right hon. Friend the Member for Bromley and

Chislehurst (Mr. Forth). I urge the Minister to consider accepting amendment No. 18—if not today, then when it goes to the other place. He should do so because clause 9 does not contain the normal catch-all regulation-making power which usually says that the Secretary of State may make any other regulations that he thinks fit. If those words had been added to clause 9, after the list of some 20 other regulation-making powers, the Minister could tell the House that amendment No. 18 was unnecessary, because any worries about access or security would be the subject of the catch-all regulation-making power.

As far as I can see, however, the catch-all power is missing. It is often a relief to see such a power missing, because regulation-making catch-all powers are in some ways too much of a Henry VIII clause. But I am concerned because clause 9 sets out specific regulation-making powers. It is some time since I have seen powers laid out so specifically. If 20 individual points are named on which the Secretary of State may make regulations, statute law may be interpreted to mean that we cannot regulate on a 21st, unless there is a catch-all.

The point about access and security is a small one. The Bill is in much better shape that it was when it went into Committee, and today's amendments today have improved its shape further. Even though the Minister has not accepted some amendments, our debates have made the Bill infinitely better than it was when it was first a gleam in the eye of the hon. Member for Stourbridge (Ms Shipley). This small amendment could improve it further.

We have all seen on television scenes in which someone has been charged with a horrible crime and, understandably, a large group—perhaps "mob" would be too derogatory a term—of relatives and concerned local people has gathered outside the court, or people are banging on the sides of the security van as the accused person is taken to and from the court. We all know that when a paedophile is released from prison there are difficulties over where that person may settle. Local people become concerned and groups form. After his having been in prison, the released person's life may be at risk once again if the public get their hands on him.

Those are extreme cases, but there is a similar potential for danger if some people are outed as possible abusers who will face a tribunal hearing. In some cases, it is understandable that, if the press misbehave and report that the person will appear before a tribunal and may be regarded as a child molester or pervert, some people will, to put it at its mildest, wish to make their point of view known to him or her, others may wish to commit violence.

I have no sympathy at all with convicted child abusers or molesters or paedophiles. However, we must assume that someone is innocent until proven guilty. We must assume that someone appearing before a tribunal is innocent until the tribunal rules against him or her. In such circumstances, people are entitled to secure access when they travel to the hearing, wherever it may be.

I agree with the points made by my right hon. Friend the Member for Bromley and Chislehurst on his other two amendments. I hope that the Minister will say whether the presumption in regulations will be for or against holding hearings in private and the imposition of reporting restrictions. There is merit in the suggestion that the tribunal should be left to decide whether to hold hearings in private or impose reporting restrictions.

The tribunal may know better than the Secretary of State, and the Secretary of State should leave it to the president of the tribunal to decide. The Bill says that the president of the tribunal must be a legally qualified person of seven years' experience who is appointed by the Lord Chancellor. He or she should have the nous, gumption and ability to make decisions for himself or herself.

Mr. Hutton: I shall respond briefly to the points raised by the right hon. Members for Bromley and Chislehurst (Mr. Forth) and for Penrith and The Border (Mr. Maclean). Amendment No. 18 contains some serious technical deficiencies. I do not intend in any way to brush off the concerns expressed by the right hon. Member for Bromley and Chislehurst, but the amendment would fit badly with the Bill. For example, he will find that his concern about access to premises is already covered by paragraph 5 of the schedule.

The topics covered in clause 9(3) are as they are because the regulations relate to the conduct of proceedings before the industrial tribunal. The right hon. Gentleman's suggested addition to the list would go significantly beyond matters that relate to the conduct of such proceedings. I am not sure of the exact position or whether it would be appropriate to use clause 9(2) and the powers therein to make provision for a matter that did not apply directly to those proceedings.

2 pm

The right hon. Gentleman made a number of good points when talking to amendments Nos. 16 and 17, to which I will respond as best I can. As drafted, the Bill provides that the holding of hearings in private and the imposition of reporting restrictions—both steps that should not be taken lightly, as I am sure the House will agree—may take place only in circumstances that will be specified in regulations. The amendments propose that those decisions should be left to the discretion of the tribunal, so that it may hold hearings in private and impose reporting restrictions very much at its own discretion.

It is no exaggeration to say that it is a fundamental principle of English law that hearings should take place in public and judgments should be pronounced publicly. Those rights should be curtailed only where there is specific justification for doing so, for example, to protect the interests of juveniles and the identity of witnesses, or more generally, where publicity would prejudice the interests of justice.

As such, it would be entirely inappropriate to allow the tribunal the discretion to disapply those rights at its own initiative. It should be able to do so only in certain limited circumstances, which should be clearly expressed, so that the parties to the application are clear from the outset as to their rights and any decision on those important issues is taken within clearly identified criteria so everyone knows where they stand and how their case is likely to be dealt with.

Two other matters were raised during this short debate. The right hon. Member for Bromley and Chislehurst queried the general thrust of the power to make regulations. The powers under clause 9 are similar to powers taken in the Education Act 1996—I think that it would be fair to say that the right hon. Gentleman was one of the main architects of that legislation.

[Mr. Hutton]

The right hon. Member for Penrith and The Border expressed his concern about the list of matters to be subject to regulation under clause 9. He was concerned at the lack of a residual catch-all power to make regulations as and when the Secretary of State might think appropriate. Clause 9(3) states:

"The regulations may, in particular, include provision—"

and goes on to list various items. The list is not intended to be exhaustive: we drew attention to particular issues with which we thought it necessary to deal on the face of the Bill.

There are technical problems with both the amendments and strong reasons why they should not be included in the Bill. I hope that the right hon. Member for Bromley and Chislehurst feels able to withdraw the amendment.

Mr. Forth: It sounds as though I should ask for my previous ministerial convictions to be taken into account, Mr. Deputy Speaker, and I do so at this stage.

I thank the Minister for his full and convincing reply to the debate. I am satisfied with what he has said and, without any further hesitation, beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 13

TRANSITIONAL PROVISIONS

Amendment made: No. 27, in page 9, line 43, after '(2)' insert

', or the condition mentioned in subsection (2A),'.—*[Ms Shipley.]*

Order for Third Reading read.

2.4 pm

Ms Shipley: I beg to move, That the Bill be now read the Third time.

Hon. Members will recall that, when I moved the Second Reading of the Bill in February, I expressed my great pleasure at having had the opportunity to introduce a Bill whose object was further to strengthen our national arrangements for protecting some of the most vulnerable members of our society. At that time, I expressed confidence that hon. Members on both sides of the House shared a real determination to ensure that adequate and workable protection would be put in place.

In Committee, we had the opportunity to consider the Bill and its purpose carefully. I believe that the Bill returned to the Floor of the House stronger as a result of the constructive contributions of hon. Members on both sides of the Committee. I pay tribute to them for their sensitive, detailed, positive examination of it.

As has been noted, the Bill is not perfect. Sadly, we cannot guarantee that no child will ever again suffer abuse, but the Bill will nevertheless substantially enhance the protection available to prevent unsuitable people from working with children. I have been deeply touched by a wealth of letters of support. I know that other hon. Members have received many letters from people who have been directly or indirectly scarred by abuse that they or their siblings suffered in childhood outside the home. Some incidents go back decades. I hope that those who wrote can draw some comfort from what the Bill puts in place to protect children and the wider context in which it will operate.

While improved in some details, the amended Bill returns to the House unchanged in its overall intent. By putting the existing Department of Health consultancy index on a statutory basis, it continues to offer a vital first step to providing a one-stop shop to compel, or allow, employers to access a single point for checking the names of people whom they propose to employ in a post involving care of children. With the related changes to the Department for Education and Employment List 99 and the Criminal Records Bureau, which was established under part V of the Police Act 1997, the effect will be greatly to increase and facilitate the efficiency of the checking process, as envisaged in the proposals stemming from the Whitehall working group that is examining the whole question of protecting the vulnerable.

I shall briefly identify where significant changes have been made to the Bill. Their general thrust has been to recognise concern in Committee that, while the essential aim of strengthening the protection of children from abuse and the risk of abuse should at all times be maintained, it needed to be balanced by addressing the reasonable rights of individuals facing a possible lifetime ban on working in child care positions.

I was persuaded in Committee that it would not be right to include incompetence in the grounds in clause 2 for referring a case to the Secretary of State for consideration for listing. The grounds should rely solely on misconduct that harms a child or places a child at risk of harm. That change has been made because concerns were raised that incompetence, as opposed to misconduct, would cast the net so wide that it would catch those who might have acted out of mere inexperience or immaturity. Incidents involving gross incompetence will still be included in the remaining category of misconduct. However, it seemed on reflection inappropriate to make individuals eligible for listing as a result of a single, possibly isolated, incident. Leaving a gate open and allowing a child to run out on to the street was an example cited in Committee. That could lead to people being banned from employment for which, with suitable guidance and training, they might prove well suited.

Clause 2 has been amended on Report so that the capacity to refer names extends to circumstances where it becomes apparent to child care or other organisations after the dismissal, resignation, retirement or transfer of an individual that, had the relevant information been available, they would have dismissed or considered dismissing that person on the ground of misconduct that harmed a child or put a child at risk of harm.

Clause 4 has been amended to improve the position of individuals whose names have been referred to the Secretary of State and listed by him provisionally. In its original form, there was no opportunity for such cases to approach the tribunal set up by the clause because no useful rights of appeal could be given in circumstances where there was no final decision on listing, and therefore no ground for appeal available. What is now clause 4(2), read with subsections (4), (5), and (6), safeguards the position of individuals listed provisionally by giving them an avenue of approach to the tribunal, with the tribunal's leave, if they have been listed provisionally for more than nine months. That will not, and cannot, be a right of

appeal; rather, it protects individuals against being kept provisionally listed for unreasonable periods without a decision from the Secretary of State by transferring the decision, where the tribunal agrees, to the tribunal itself.

Given the care that must be taken in such cases, nine months seems not unreasonable, especially as clause 2 lays down strict procedures under which the Secretary of State has to seek observations from the various parties and make such inquiries as he thinks necessary. By the same token, the amendments provide for a reasonable period of consideration before approach to the tribunal becomes open after the determination of any civil or criminal proceedings, should the case involve such proceedings.

The requirement to obtain the tribunal's leave in all cases will prevent abuses of process whereby individuals seek to delay the Secretary of State by failing to submit their observations. The tribunal will most appropriately function as a reviewing body, rather than substituting for the Secretary of State's initial administrative decision. However, it is clearly right that there should be protection from unreasonable delay, and individuals should not be kept waiting interminably for the Secretary of State to act. Needless to say, I have no doubt that Ministers will want to ensure that such delays occur as infrequently as possible, if at all.

We have sought to improve the transitional position of individuals who have been referred to the list in the present consultancy service index, but whose cases will not have been determined before the new listing arrangements under clause 2 are brought into force. Subsections (1) and (2) of clause 13 now provide that all such cases should be treated as if they were fresh references under clause 2, thereby attracting from the outset all the procedural protections conferred by that clause.

Those changes have clarified and strengthened this necessary Bill. I am particularly grateful for the spirit in which the Bill has been approached by all the hon. Members who served on the Committee, without exception. They properly probed and tested the proposals, but they were entirely constructive throughout. That spirit has continued today, and I am grateful for that. I commend the Bill to the House.

2.12 pm

Mr. Hammond: I congratulate the hon. Member for Stourbridge (Ms Shipley), first, on having selected this important subject for her private Member's Bill when she was successful in the ballot and, secondly, on the considerable fortitude that she has demonstrated in dealing with what is, by the standards of private Members' Bills, complex and difficult legislation.

I thank the Minister for the way in which he has engaged so constructively with all members of the Standing Committee and all hon. Members who have expressed an interest in the Bill. He has genuinely sought to deal with issues raised during the Bill's consideration. That spirit of consensus was evident during the Committee proceedings and has been evident this morning. Perhaps that demonstrates that, if one can remove the politics from this place, it works extremely well to everybody's benefit.

There has been consensus on the Bill's underlying principles since they were first aired on Second Reading. What concerns have been expressed have related to the details of its implementation and, most seriously, its implications for the rights of individuals caught up in its mechanisms. The Committee proceedings and our consideration this morning have gone a long way to resolve some, perhaps even most, of those concerns. The remaining concerns can be re-examined when the Bill is considered by those in another place, who have demonstrated their particular interest in issues of fundamental individual rights, and I look forward with great interest to their further deliberations on the Bill.

I repeat the plea that I made vicariously through my hon. Friend the Member for Gainsborough (Mr. Leigh). Will the Government consider making draft guidance available before our noble colleagues examine the Bill in another place? That would help them to get the legislation absolutely right and ensure that, if it is not perfect, it is as near perfect as any legislation can ever be.

It is important that we remember that the Bill is only a part of the attack on abuse against children. The Minister mentioned the Government's wider agenda in that respect, and spoke about how the Bill would fit into the overall programme. We look forward to seeing those measures in due course, and we hope to be able to support them in the constructive spirit that Conservative Members have been able to extend to the Bill.

However, it is important that we remember that legislation alone will not solve the serious problem of abuse against children, and it is important that we do not allow the Bill or any other piece of legislation to encourage us to slip into a sense of false security and a belief that the problem has been tackled, because it is deep-rooted and persistent.

On balance, the Bill is a sound, reasonably robust measure, which will make a very important contribution to the protection of children, without unduly putting at risk the rights of individuals who are caught up in the system. As such, I am delighted to be able to lend it my support.

2.16 pm

Mr. Hutton: The Bill is a very important measure, which will go a long way to construct a more complete and more effective child protection system.

I again warmly congratulate my hon. Friend the Member for Stourbridge (Ms Shipley) on using the opportunity given to her, following the ballot, to introduce such an important and responsible measure. She has gained the admiration of the House for the way in which she has mastered a very complex topic and steered the Bill through to Third Reading.

The Bill deserves to succeed, and I hope that it receives favourable and swift attention in another place. However, it places heavy obligations on Government. Provided it passes all its stages, implementation of the main provisions will require considerable application and—as the regulatory impact assessment has shown—new resources. Setting up the new Department of Health list will entail very careful consideration of all the current cases from the present consultancy service index, which the new list will replace. An entirely new and fully independent tribunal will have to be set up to hear appeals against inclusion in the Department of Health and Department for Education and Employment lists. But we have no doubt at all that those provisions are necessary, and that the necessary resources will be made available to ensure that they work well.

[Mr. Hutton]

The protection of children is a subject on which, I am glad to say, everyone in the House is happy to unite. However, it is vital for Parliament—even at the same time as deploring the actions that we are trying to prevent—to ensure that the package of measures is balanced and fair. Strong measures require strong protections. Of course children should be protected, but so must the rights of adults considered for listing. I believe that the Bill brings about a better balance and, on behalf of the Government and all Labour Members, I unreservedly recommend that it receives a Third Reading.

I believe that we have done something very important and profound today. Again, the House has shown that, when it comes to protecting the interests of children, we can put party political differences aside—that we can act together concertedly and determinedly to protect children from abusers and those who would place them at risk of harm. That is a tribute to all the right hon. and hon. Members who have taken the time to participate in these proceedings.

I am grateful to the hon. Member for Runnymede and Weybridge (Mr. Hammond) for his kind words, but I believe that all of us who have been involved in the Bill—especially my hon. Friend the Member for Stourbridge—may take great comfort from the fact that we have done something of real importance, which will significantly develop protection for children.

I hope that the Bill proceeds today and goes into the House of Lords, and that it soon reaches the statute book.

2.19 pm

Mrs. Llin Golding (Newcastle-under-Lyme): I add my warm congratulations to my hon. Friend the Member for Stourbridge (Ms Shipley), on behalf of many hon. Members and on behalf of children who have no voice in the House—but who seem to have been given a very loud voice by my hon. Friend.

There has been much talk of trawling. I take up that theme by saying that the Bill does much to close the net around wicked people who use their position to abuse children. I wish the Bill fair weather to sail swiftly through the other place, and to return safely to the House.

2.20 pm

Mr. Maclean: I, too, wish the Bill all success as it leaves the House in the next few minutes, and I congratulate all who gave it proper consideration in Committee. It received proper consideration also on Second Reading and on Report.

If the Bill had been a Government measure, it would have received a full day's consideration on Second Reading. It would have been considered over five or six sittings in Committee, followed by a full day on Report. It is a happy coincidence that this private Member's Bill was debated for a full day on Second Reading, during which concerns were expressed, especially about the incompetence provision. That was followed by five days in Committee.

It is one of the few private Members' Bills that has had five genuine sittings in Committee. These Bills sometimes go into Committee to emerge half an hour later, when we say that wonderful improvements have been made and then expect to get them bounced through the House on the nod on a Friday. If they have had more than four sittings in Committee, Members try to block them for whatever reason. In this instance, we have seen genuine consensus across all parties, which desire legislation to be tightened periodically, whenever there is an opportunity to do so, to protect children.

I played a minor part in the previous Conservative Government and I am proud of what we achieved through various pieces of legislation. The Department of Health introduced measures to increase the protection of children. Through some of the measures that we introduced at the Home Office, we tried to deal with those who abused children. We did so in different ways—by introducing different criminal sanctions and taking up the work that the NCIS does, for example. The Bill is a further improvement and I congratulate the hon. Member for Stourbridge (Ms Shipley) on taking up this subject in the ballot, on presenting the Bill as clearly as she did on Second Reading and on taking on board in Committee the concerns that we had expressed.

I am so grateful that the hon. Lady dealt with the incompetence provision; it would not be such a good Bill if she had failed to do so. We were all concerned about primary schoolteachers taking children out for an afternoon to some event—those teachers are not child abusers; they have no malice towards children and, indeed, they love, adore and respect them—and through an oversight, through no doubt what could be incompetence or through an error of judgment, being slightly careless. Every parent is in that potential position 24 hours a day. If a primary schoolteacher had made an error that was regarded as incompetence, he or she would have been caught by the Bill and would have appeared on the same list as some of the vilest child abusers imaginable. That was clearly wrong.

On listening to the responses on Second Reading, I was not convinced that the point would be taken on board. I am sorry if, over the past few months, I have caused the hon. Member for Stourbridge and her hon. Friends undue concern.

Mr. Boateng: It is on the record.

Mr. Maclean: The record at the time speaks for itself.

I was deeply concerned about the incompetence provision and I was muttering at the time that I could not support the Bill unless the point was taken on board. I pay tribute to the hon. Member for Denton and Reddish (Mr. Bennett)—I rarely do so—for advancing the issue in Committee. It was considered carefully by the Minister and by others in Committee, and the Bill has been improved. I congratulate the Minister on the way in which he has handled the Bill and on his demeanour today.

I and many of my right hon. and hon. Friends are in the Chamber regularly on a Friday. It seems that some Ministers take slight umbrage at the fact that they have to be in the Chamber for a full day to deal with amendments that they think could be dealt with in five minutes. They become rather upset when Bills are not bounced through on the nod. Today, we have given proper consideration to a proper Bill. We are merely carrying on what the hon. Member for Stourbridge and her hon. Friends did in Committee.

The hon. Lady has introduced amendments that have been accepted. In my inadequate way, I advanced similar amendments. Of course, they were not as well drafted as

the hon. Lady's. If I had the resources that are available to Ministers and that the hon. Lady might have had available to assist her—*[Interruption.]* No, I did not mean that; I apologise. I think that the hon. Lady had £200 with which to hire the best legal advice. She spent her money wisely. The hon. Lady's amendments have improved the Bill still further. *[Interruption.]* I only wish that one could buy an alternative Government for £200.

The Minister's demeanour today has been exemplary and he listened carefully to the points that were made. Where he thought it appropriate, he rejected amendments, but he has convinced me that, whether in respect of Government or Department of Health guidelines, he takes these issues deeply seriously and wants the Bill to work.

The Bill stands a good chance of working. I was a Minister for long enough and am not so naive that I think that perfect legislation can be achieved. As I said earlier, as soon as we think that we have cracked down on one type of criminality—on one aspect of the behaviour of paedophiles in particular—those devious, clever, nasty people manage to exert their evil influence in some other area that we had not considered. The best example of that relates to pornography and the abuses involved in it. If we try to crack down on pornography, it pops up in a different aspect the next day.

I congratulate the Minister on his responses, but I hope that he will take on board one of the key points made during the debate on new clause 2, which was not accepted by the Government. The spirit of the new clause, however, was accepted. I am not making a party political point by again using the phrase "joined-up government"—that is the Government's phrase—but our debate provided the best example of where joined-up government can deliver coherent explanations to the House. That is much better than Conservative Members bashing out parliamentary questions, some of which may be answered and others of which may not, on the ground of disproportionate cost.

Even if Ministers answer all the questions—*[Interruption.]* I look forward to receiving answers from the Home Office in due course; the Minister of State, Home Office is smiling at me. Even if all the questions are answered, we still have only bits and pieces of information and they need to be pulled together in a coherent form, which is the sort of thing that Cabinet Committees are good at.

The structure for achieving that coherence exists. There is a departmental working group; Ministers are co-operating on all aspects of improving the lot of children and on how they can bear down more viciously on those who abuse children. If the machinery exists, let us pull it together and present a report—it would not have to be statutory—to the House. We would then have proof positive that the Bill, which will go to the other place, will make a positive impact in improving the lot of children everywhere.

I am delighted to support the Bill, and I am delighted that my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) is throwing the full weight of the Conservative party behind it. I had hoped that there would be a Liberal present in the Chamber to commend the Bill. I wish it well as it proceeds to the other place.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Energy Conservation (Housing) Bill

Order for Second Reading read.

2.28 pm

Mr. Clive Efford (Eltham): I beg to move, That the Bill be now read a Second time.

Much has been made today of attempts to bounce Bills through the House. This Bill is identical to the Bill I presented during the previous Session of Parliament, which reached its Third Reading and was shot down by the lone voice of one Member.

My Bill would bring benefits to 1 million tenants of registered social landlords nationally, achieve efficiencies in drawing up energy conservation strategies by local authorities and lead to the efficient use of resources.

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Mr. Alan Meale): I assure my hon. Friend that the Government fully support the Bill going speedily forward.

Mr. Efford: I thank my hon. Friend, and hope that the Bill receives its Second Reading.

2.29 pm

Mr. Eric Forth (Bromley and Chislehurst): This Bill contrasts with the Protection of Children Bill, which my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) rightly praised. It was debated carefully by hon. Members, the promoter was careful to achieve consensus and it received a proper hearing in Committee and on Report. Is it not sad that some people seem to believe that they can make law by diminishing the role of this House and seeking to circumvent its proper rules and procedures—

Mr. Deputy Speaker (Mr. Michael J. Martin): Order.

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed on Friday 14 May.

Remaining Private Members' Bills

ENERGY EFFICIENCY BILL

Order read for resuming adjourned debate on Question [12 March], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 14 May.

CANCER CARE BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 23 July.

FUEL SAFETY BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 23 July.

CRIMINAL CASES REVIEW (INSANITY) BILL
[*LORDS*]

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 7 May.

PLANNING APPEALS BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 7 May.

BUS FUEL DUTY (EXEMPTIONS) BILL

Order read for resuming adjourned debate on Question [12 March], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 7 May.

PUBLIC HOUSE NAMES BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 7 May.

GREATER LONDON AUTHORITY BILL (PROGRAMME) (No. 2)

Ordered,

That the Order [13th January] relating to the Greater London Authority Bill (Programme) be supplemented as follows:

REPORT AND THIRD READING

1.—(1) Proceedings on consideration and Third Reading shall be completed in two allotted days and shall, if not previously concluded, be brought to a conclusion at Ten o'clock on the second day.

(2) On the first allotted day, paragraph (1) of Standing Order No. 15 (Exempted business) shall apply to proceedings on the Bill for two hours after Ten o'clock.

PROCEEDINGS ON CONSIDERATION

2.—(1) The proceedings to be taken on consideration on each of the two allotted days shall be as shown in the second column of the Table in sub-paragraph (2) below and shall be taken in the order so shown.

(2) Each part of the proceedings on those days shall, if not previously brought to a conclusion, be brought to a conclusion at the time specified in relation to that part of the proceedings in the third column of the Table.

TABLE

Allotted day	*Proceedings*	*Time for conclusion of proceedings*
First day	Amendments to Clauses 1 and 2, Amendments to Schedule 1, Amendments to Clauses 3 and 4, Amendments to Schedule 2, Amendments to Clauses 5 to 17, Amendments to Schedule 3, Amendments to Clauses 18 to 24, New Clauses relating to Part I and New Schedules relating to Part I	6.00 p.m.
	Amendments to Clauses 25 to 30, Amendments to Schedule 4, Amendments to Clauses 31 to 66, New Clauses relating to Part II and New Schedules relating to Part II	7.30 p.m.
	Amendments to Clauses 67 to 72, Amendments to Schedule 5, Amendments to Clauses 73 to 83, Amendments to Schedule 6, Amendments to Clauses 84 to 118, Amendments to Schedule 7, Amendments to Clauses 119 to 122, New Clauses relating to Part III and New Schedules relating to Part III	8.00 p.m.
	Amendments to Clauses 123 to 133, Amendments to Schedule 8, Amendments to Clauses 134 to 142, Amendments to Clauses 148 to 170, Amendments to Clause 188, Amendments to Schedule 12, Amendments to Clauses 189 to 193, Amendments to Schedule 14, Amendments to Clauses 194 to 196, Amendments to Schedule 15, Amendments to Clause 197, Amendments to Schedule 16, Amendments to Clause 198, Amendments to Schedule 17, Amendments to Clauses 199 to 221, New Clauses relating to Chapters I, II, IV, V and VII to XII of Part IV and New Schedules relating to Chapters I, II, IV, V and VII to XII of Part IV	9.30 p.m.
	Amendments to Clauses 224 to 228, Amendments to Schedule 20, New Clauses relating to Part V, New Schedules relating to Part V, Amendments to Clause 229, Amendments to Schedule 21, Amendments to Clauses 230 to 241, Amendments to Schedule 22, New Clauses relating to Part VI, New Schedules relating to Part VI, Amendments to Clause 242, Amendments to Schedules 23 and 24, Amendments to Clauses 243 to 247, New Clauses relating to Part VII, New Schedules relating to Part VII, Amendments to Clauses 248 to 264, New Clauses relating to Part VIII, New Schedules relating to Part VIII, Amendments to Clauses 265 to 283, New Clauses relating to Part IX, New Schedules relating to Part IX, Amendments to Clause 284, Amendments to Schedule 25, Amendments to Clauses 285 to 290, New Clauses relating to Part X, New Schedules relating to Part X, Amendments to Clauses 291 to 300, New Clauses relating to Parts XI and XII, New Schedules relating to Parts XI and XII	Midnight

Second day	Amendments to Clauses 143 to 147, Amendments to Clauses 171 to 180, Amendments to Schedules 10 and 11, Amendments to Clauses 181 to 186, New Clauses relating to Chapters III and VI of Part IV, New Schedules relating to Chapters III and VI of Part IV, Amendments to Clause 187, Amendments to Schedule 9 and Amendments to Schedule 13	6.30 p.m.
	Amendments to Clause 222, Amendments to Schedule 18, Amendments to Clause 223, Amendments to Schedule 19, remaining New Clauses, remaining New Schedules, Amendments to Clauses 301 to 304, Amendments to Schedule 26 and Amendments to Clauses 305 and 306.	9.00 p.m.

CONCLUSION OF PROCEEDINGS

3.—(1) For the purpose of concluding any proceedings which are to be brought to a conclusion at a time appointed by this Order, the Speaker shall forthwith put the following Questions (but no others)—

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment moved or Motion made by a Minister of the Crown;

(d) any other Question necessary for the disposal of the business to be concluded.

(2) Proceedings under sub-paragraph (1) above shall not be interrupted under any Standing Order relating to sittings of the House and may be decided, though opposed, at any hour.

(3) On a Motion made for a new Clause or a new Schedule, the Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

(4) If two or more Questions would fall to be put under sub-paragraph (1)(c) on amendments moved or Motions made by a Minister of the Crown, the Speaker shall instead put a single Question in relation to those amendments or Motions.

SUPPLEMENTARY PROVISIONS

4. If any Motion is made by a Minister of the Crown to amend this Order so as to provide a greater amount of time for proceedings on the Bill under paragraph 1 or 2 of this Order, the Question thereon shall be put forthwith and may be decided, though opposed, at any hour.—*[Mr. Robert Ainsworth.]*

ADJOURNMENT (WHITSUN)

Motion made, and Question put forthwith, pursuant to Standing Order No. 25 (Periodic adjournments),

That this House, at its rising on Thursday 27th May, do adjourn till Tuesday 8th June.—*[Mr. Robert Ainsworth.]*

Question agreed to.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Thursday 27th May, the Speaker shall not adjourn the House until she shall have notified the Royal Assent to any Acts agreed upon by both Houses.—*[Mr. Robert Ainsworth.]*

Assisted Area Status (Southend)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Robert Ainsworth.]*

2.32 pm

Mr. David Amess (Southend, West): I speak this afternoon on behalf of a community that is not in despair, but is full of hope. It hopes very much that the Government, and the Minister in particular, will listen carefully to what I have to say and will support Southend borough council's bid for assisted area status.

I have had many Adjournment debates in the House. They are judged not by the eloquence of the hon. Member participating, but by their results. I do not mean the results that flow immediately from the press releases and photographs, but those that occur weeks or months later, when the initial impetus of the case of which an hon. Member is trying to persuade the House has faded into the distant past. I know that this is the Minister's first parliamentary term, but I hope that he will be able to persuade his departmental team to support Southend borough council's bid.

It has never been my natural tendency to support moves to highlight areas in economic difficulty, because, unless one chooses one's language carefully, it can be counter-productive. That is certainly not what I intend to do this afternoon, but I find myself with no choice other than to support the council's bid. Indeed, I would be failing in my duty if I did not speak up for Southend.

My wife is very much a Southend girl. Since she has returned to live in the town, she has been somewhat astounded—without wanting to put too much emphasis on it—to find how the general ambience has changed since her childhood. She is proud of Southend and loves the town in which she spent most of her early years. She is not an elderly lady—she is in the prime of life—but all I can say is that things are a little challenging at the moment.

I am armed with the brochures that wax lyrical about how wonderful Southend is, and I believe that. The town is also represented by my hon. Friend the Member for Rochford and Southend, East (Sir T. Taylor), who has notched up double the service in the House that I have given and shares with me the great distinction of having represented two constituencies. He and I are at one in our support for this bid.

The half of the constituency that I represent centres around Leigh-on-Sea. The town council has produced an excellent book, which says:

"The earliest known written record of Leigh is an entry in the Domesday Book, 1086. . . . In 1565 Leigh was a very busy port, with many tall ships anchored in the deep channel. . . .1620. The 'Mayflower', was a very popular name for sailing ships, but it is believed that the most famous 'Mayflower' and the Pilgrim Fathers, came to Leigh to pick up passengers and stores for their voyage to America."

Parts of Leigh are undoubtedly very beautiful. As my hon. Friend the Member for Epping Forest (Mrs. Laing) knows only too well, it is in a beautiful setting, and the wildlife that lives in or visits the area is something to behold. It is an estuary town near the junction of the River Thames and the North sea.

We have a wonderful public relations department in Southend, which has produced a glossy brochure entitled "Southend. Now there's nowhere quite like us!.. Experience the changes".

It says:

"As the largest town in Essex, and situated in what is regarded as the driest part of the country, Southend has now developed a more cosmopolitan atmosphere and has grown into a vibrant seaside resort, and London's favourite 'theme park' all year round, with something for all the family.

Southend has long boasted of its world famous pier, but it now has a multitude of exciting new visitor attractions, thrilling adventure rides and spectacular events. You can also relax on award winning beaches or esplanades, stroll through some of the most magnificent parks and gardens in the South East, or just wander through the town that combines the charms of a traditional seaside resort with a superb range of restaurants, splendid shopping facilities, exciting theatres and musical performances."

Why are we spending half an hour talking about giving assisted area status to Southend if it is as wonderful as that? Any politician who concentrates on politics and is serious about these issues knows that the worst thing one can do is to talk down an area. We owe it to our constituents to talk up an area.

Last year, I visited the European Community to persuade two Commissioners of the case for Southend being granted assisted area status. I do not know what the Labour Government's position is on Europe, but I shall tell the Minister what mine is. In the '70s, I voted no in the referendum. When we have a referendum on the single currency, I shall also vote no. I want us to trade our goods and services with Europe, and have educational and cultural links, but I am totally against a United States of Europe with one Government and one currency. As I saw the value of the euro plummet further today, I wondered whether there ever would be a referendum on the single currency. As the Government's economic policy seems to be building up to our entry into the euro, the Chancellor of the Exchequer may be in somewhat of a quandary.

I mention Europe because I am a democrat. We were slaughtered in the referendum in the '70s, and I want to take advantage of our involvement in Europe. Surely to goodness that can be achieved by the Government advancing the position of Southend to be given assisted area status. *[Interruption.]* I am sure that the Minister is discussing important matters with the Whip, but I hope that he is listening to my comments about Southend, because many of my constituents will expect him not just to read the civil service brief, but to pick up on one or two points of which I may not have given him advance warning.

The two European Commissioners said that the buck stops with the Government—I am not flying or sailing across the channel to sort this matter out. They said that it was up to the Government to support Southend's bid for assisted area status. They gave me a deadline.

The House of Commons Library, which as far as I am concerned is the fount of all truth—there is no spinning there—has armed me with all the ammunition. I shall not waste half an hour by dwelling on the Minister's response to our last debate on this subject, which took place only a few days ago. I have read it; so be it. In any event, Southend meets all the relevant criteria. Although I have not time to go into the details, I have studied this matter closely.

My constituents and I are not bothered about either the difficulty in which the Commissioners find themselves or the overall turmoil in Europe. My constituents expect me,

[Mr. David Amess]

as their Member of Parliament, to honour my commitment to the two Commissioners, and to ensure that the Government support the bid. My local authority has produced an excellent brochure entitled "The State of the Town", which puts a clear case for the required criteria. No doubt the Department of Trade and Industry has a copy, but if it has not I shall ensure, through the Minister, that it receives one.

I am prepared to encounter the usual ploy—"I will write to the hon. Gentleman later"—but let me ask the Minister a question. What precisely has Southend received in financial terms from Europe over the past five to 10 years? I am sick to death of all the spin: I am horrified by it. I am sick of all the press releases and photographs. I am sick of reading that people are "fighting for more money for Southend pier" and "fighting to help the Thames estuary". We have a Labour Member of the European Parliament at present, although, following the European elections, if we adopt this stupid list system, there will be a few Conservative MEPs whatever happens. The council is controlled by the Labour and Liberal parties—and here I stand, supporting its bid for assisted area status.

The bid was submitted to the Government office for the east, according to instructions, in October last year. Part of the executive summary of the bid, entitled "Determining areas for Assisted Area Status and Objective 2 eligibility of the EU Structural Funds", states:

"A decision on when Assisted Area Status will be announced is still not clear."

I have read the Minister's response before. I do not buy it, and I do not accept what the Minister has said about the lack of clarity. Ministers are going backwards and forwards, but the House needs an announcement. I will not rest this afternoon on what the Minister says: I intend to pursue the matter, because I think that we are being sold a pup. Others may have bought this, but I do not.

The decision is closely linked with the areas proposed for objective 2 status. The Government will not submit the list of proposed objective 2 areas to the European Commission until the likely deadline of mid-June. That is a pressing deadline, given that we are almost in May now. The Minister will say, "I shall have to wait until mid-June". Obviously, I shall reply, "Fantastic! That is wonderful"—or I may say something else. The European timetable has also slipped, because of the resignation of the European Commission.

I have studied the review of the assisted areas map very closely. I accept that the Commission has issued new guidelines on regional aid, but, although the two maps should be complementary, there is no requirement for national Governments to ensure that the structural funds and assisted area maps are identical. I hope that the Minister will clarify the situation; if he cannot, perhaps he will write to me!

We have a pressing need for assistance. For many years, the perception of Southend as a leafy, affluent seaside town has masked the reality of high unemployment and multiple pockets of deprivation. The review relates to areas of 100,000 people; Southend has a population of 175,500. Southend, with the adjoining districts of Castle Point and Rochford, is one of the largest conurbations in the east of England. It has no rural hinterland.

The Government's transport policy has been disastrous for Southend; we have gridlock. We hear double-talk from Labour and the Liberals Democrats, who are against cars, and have no road-building projects. That is fine, but Ministers should come done to Southend and face my constituents. Because of those transport problems, our efforts to gain local investment are being frustrated. We have to contend with not only a Labour Government, but a local Lib-Lab council.

Southend's population density is 42 people per hectare, compared with an average of four people per hectare in Essex and two per hectare in the United Kingdom. Government statistics show that, in the next 10 years, Southend's population will grow by 4 per cent.

After its separation from Essex county council, our new unitary authority has fought hard to highlight some of the difficulties I have described. However, now that we have a unitary authority, our unemployment situation is much worse. The Minister may say that the unemployment rate is decreasing, but one person who genuinely wants to work but cannot find it is one too many. Southend has very high unemployment. The town has experienced a decline in both industrial and service industries—financial services, retailing, tourism, and the defence and fishing industries have suffered in the recent economic slowdown. The Minister with responsibility for fishing has done a sterling job in trying to meet some of my constituents' concerns, but, only yesterday, local fishermen telephoned me to say that they were faced with further difficulties relating to catch sizes and fishing time limits.

Between 1991 and 1996, 2,750 jobs were lost in Southend's financial sector. In just the past six months, another 867 jobs were lost from the defence industry, manufacturing, the retail sector and social services. Forecasts indicate that, in the next 10 years, a further 6.8 per cent. of Southend's total employment will be lost, whereas employment is expected to increase in the rest of eastern England. Konver and PESCA European Union funding have been available to Southend, which clearly demonstrates the state of local conditions.

Southend's local per capita gross domestic product is an alarming 71 per cent. of the national average. Moreover, it has suffered one of the steepest per capita GDP declines, from 77 to 71 per cent., of all NUTS3—nomenclature of units of territorial statistics—areas. Our unemployment rate is 7.2 per cent., which is one and a half times the national average, and our long-term unemployment rate is among the worst 5 per cent. of all districts. There is high employee turnover in many of our service and tourism sectors, as many employees are casual, seasonal workers employed on relatively low wages. A high proportion of workers are women working part-time and for short periods. All those factors demonstrate that we have many employment problems.

Southend was once a dormitory town for London, but that role has diminished greatly over the years. Moreover, we have been greatly affected by the changing attitudes of holiday makers, who take advantage of flights and foreign holidays that are cheaper than local holidays.

The Government have the ability to provide the necessary assistance to create the incentives and opportunities for renewed investment in jobs and prosperity for Southend's local residents. Assisted area status, through regional selective assistance, would

provide numerous opportunities for high-technology businesses—we already have at least 14 such businesses—to flourish in Southend. Objective 2 status, from January 2000, would also enable us to tackle our concentration of problems in targeted areas of specific need.

As I said at the start of my speech, Southend is a great place in which to live and anyone who lives by the sea can enjoy the moving picture provided by the Thames estuary. As someone who was born in London, I enjoy the many facets of that estuary. The sea is not enough, however. Southend needs support from the Government. I do not care if Labour and the Liberal Democrat supporters do not like me as their local Member of Parliament; they should support the Lib-Lab council, the Labour MEP and all the officers who have worked so hard on the bid.

Southend's case is overwhelming. I represent a community not in despair, but in hope. If the Minister can persuade his colleagues to include us in the bid, I shall be the first to make sure that his support, and that of those responsible for getting that bid accepted in Europe, is recognised.

2.51 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Michael Wills): In the relatively short time that remains, I shall do my best to address all the points that have been raised. First, I congratulate the hon. Member for Southend, West (Mr. Amess) on securing today's debate on assisted area status for Southend. He raised this matter in a recent question to the House, and he has eloquently put the case for his area again today. The hon. Member for Rochford and Southend, East (Sir T. Taylor) has also brought the problems of Southend to the attention of the House and of Ministers on some recent occasions. We are certainly aware of their concerns.

Many hon. Members share the hon. Gentleman's interest in the assisted area review. Since I became a Minister, I have met some 50 hon. Members from all parties who wished to discuss the importance of assisted area status and I have corresponded with many others. So far, the hon. Gentleman has not taken advantage of the open door policy that I operate in this matter, but I would be more than happy to see him.

Let me set out where matters stand on the review. As I mentioned on Monday night in a similar debate sponsored by the hon. Member for North-East Cambridgeshire (Mr. Moss), the coverage of the new assisted areas map will be reduced from present levels and inevitably there will be some hard choices to be made in designating areas. We have yet to take final decisions. The Government are considering their proposals for the new assisted areas and we will put them to the Commission as soon as possible.

Our review follows the publication last year of new European Commission guidelines on regional aid, which require all member states to propose new assisted areas to operate from 1 January 2000. The guidelines are part of efforts by the Commission to control the overall level of state aids in Europe. As a result, the UK faces a reduction in the population coverage of its map, as does the EU. The figure for the UK is about three quarters of our current coverage. Inevitably, that will mean hard choices and some areas will be disappointed.

However, we should also bear in mind the wider picture: the UK has traditionally been one of the lowest providers of state aids in the EU. Removing distortions to competition by reducing levels of state aids will help UK firms both inside and outside the assisted areas. The lower aid limits that the guidelines will introduce are expected to bear down particularly on other EU states, and that will be good for British firms, not just those in the assisted areas.

The hon. Gentleman mentioned timing. Let me try to set his mind at rest. I am not sure that I will be able to do so, as he seems determined to be discontented, but I shall do my best. The Commission had asked for proposals by 31 March. That was always an ambitious deadline, and about half the member states have not yet submitted their proposals to the Commission. We are working to complete the map as soon as possible, and the Commission is aware of that, but our overriding objective must be achieving the best outcome for Great Britain. We cannot rush the task. We could quickly draw a map that followed the Commission's rules, but we want to draw a map that uses our reduced population coverage most effectively—the right map for Britain.

We want to do some more work on our proposals. We must also respect the purdah periods before the local elections and the elections in Scotland and Wales on 6 May, and again before the European elections. That makes it unlikely that we will be able to make an announcement before mid-June.

As the hon. Gentleman is aware, a public consultation exercise is under way on European structural funds objective 2 areas for the period from 1 January 2000. The consultation period ends on 25 May, and in the early summer we shall draw up our proposals for the new objective 2 areas. The two maps have different purposes and do not have to be identical. Taken together, however, as I hope the hon. Gentleman will agree, they should provide a coherent approach to regional development. Our announcements of our proposals for the two maps should therefore together set out a coherent strategy for tackling regional needs.

Let me say a few words about the Government's approach to the review. In reviewing the map, we are attempting to identify areas of need where there are opportunities for creating jobs and for investment by industry—in other words, areas where regional selective assistance will be effective in tackling need.

In the review we are considering all areas, and we have been keen to listen to local views on all matters. I assure the hon. Gentleman that the points made by Southend borough council in its submission for the public consultation are being carefully considered.

The task that we have been set is not easy. As I have said, United Kingdom population coverage under the new map will be about three quarters of current levels. We must make our proposals on the basis of the rules set out in the guidelines. I am conscious of the lack of time, so I shall not rehearse them now, but I am sure that the hon. Gentleman is aware of them, and of some of the difficulties that we face in drawing up the right basis for the geographical units in the map.

The review has demonstrated the wide variety of needs faced by areas throughout the country. As I am sure the hon. Gentleman will realise, assisted area status cannot

[Mr. Michael Wills]

address all those needs; nor will it always be the most appropriate answer. There are other measures to help development.

In England, we expect the regional development agencies—for Southend, that means the East of England development agency—to help in drawing up strategies for developing their areas. The agency that covers Southend is already preparing its economic development strategy for the east of England, which I am sure will take account of the needs of Southend.

As part of its regeneration function, the agency administers the single regeneration budget. Current activities funded from that include an eight-year scheme, which began in 1997, to regenerate the area of Shoeburyness in Southend. It includes projects aimed at providing training for employment and initiatives to help prepare school leavers for life and work.

In addition, as we said in the White Paper on competitiveness, which was published in December, the Government are looking at new measures to support the growth of smaller businesses in selected areas with particular needs. We are especially keen to support and promote high-technology small firms and other small firms with high growth potential, such as those that the hon. Gentleman mentioned earlier.

The hon. Gentleman spoke about unemployment in Southend. Unemployment is a matter for concern wherever it occurs, and I sympathise with his concerns. However, I understand that firms are investing in Southend. Olympus has moved its research and development centre there, creating more than 100 jobs, and the Rowellan Group has built a £5 million hotel complex in the town, creating almost 150 new jobs. That is encouraging and I hope that Southend will see more such investment.

The hon. Gentleman mentioned European funds. As he rightly guessed, I shall write to him about the broader question, but let me try to set his mind at rest by drawing his attention to a couple of things of which he may not be fully aware. He mentioned the funds that the Southend travel-to-work area received for three projects under the Konver II Community initiative and three under the PESCA Community initiative. European money has also supported projects in the area under structural funds objective 3 to assist the unemployed, and under objective 4 which helps with reskilling the work force.

Under the current programme for European structural funds, the Southend travel-to-work area will receive £1.5 million. I will write to the hon. Member for Southend, West in answer to his broader questions, but I hope that he is sufficiently reassured that Southend has not been ignored by the European Union. Indeed, Southend is doing well from the EU. We are consulting on the objective 2 map and we hope to receive a submission from the hon. Gentleman and from Southend borough council.

I hope that the hon. Gentleman is reassured by my comments today. I urge him to take advantage of the open door policy, which I have operated for all colleagues, to come to see me to discuss the needs of Southend. He is welcome to write to me if he would prefer not to confront me in person, but he would be welcome to a cup of tea in the Department of Trade and Industry at any time. He need only give my office a call. I hope that he will not be as shy in the future as he has been in the past three or four months, and that he has received some reassurance to pass on to his constituents in Southend.

Question put and agreed to.

Adjourned accordingly at one minute past Three o'clock.

House of Commons

Tuesday 4 May 1999

The House met at half-past Two o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

NHS Direct

1. **Mr. Patrick Hall** (Bedford): How many people are covered by NHS Direct; and what is his programme for expansion. [81807]

The Secretary of State for Health (Mr. Frank Dobson): Following the success of the three pilot schemes, NHS Direct has been extended to cover around 20 million people. By December this year, a further 10 million people will have access to this highly successful new service, which will cover the whole country next year.

Mr. Hall: I thank my right hon. Friend for that answer. I welcome his announcement that Bedford will be home to a new NHS Direct call centre in the autumn of this year. Will Bedfordshire benefit from Sheffield university's evaluation of the early experience of NHS Direct, particularly with regard to local publicity and the apparent under-use of the service by those over 65? Will my constituents benefit from NHS Direct outreach and the proposed new information points?

Mr. Dobson: We were determined from the start to ensure that we learned from the pilot schemes in the gradual extension of NHS Direct. That is why we established the pilots. We have made every effort to ensure that the system expands as quickly as is sensible and that the initial volume of calls can be coped with, gradually building up so that the staff can learn from experience. A surprisingly low proportion of calls have come from old people, although some old people have called. We shall extend the publicity to try to ensure that enough old people are aware of the service. On the first day of operation in west Yorkshire, a call came in from an old lady who said that she was just ringing to make sure that the service would be there when she needed it.

Mr. Simon Hughes (Southwark, North and Bermondsey): How does the Secretary of State expect the necessary staff to be employed and retained in NHS Direct and everywhere else in the health service when twice in a week the Government have broken their word to the two largest groups of employees in the health service? On 1 February, the Government promised that the recommended pay increases for nurses would be paid in full from 1 April. Most, if not all, NHS nurses have received no additional pay in their April pay packets and may not receive it until September. Today we hear that, having agreed a few years ago that junior hospital doctors would work for only 56 hours a week, the Government are proposing in Europe that they should be allowed to work for 65 hours a week. Do the Government not realise that they cannot save the NHS when they are undermining its key groups of staff?

Mr. Dobson: All that I can say in response to that question, which was allegedly about NHS Direct, is that we have had no difficulty in recruiting nursing staff, including disabled staff, to serve at NHS Direct. I expect that trend to continue. The service is very popular. The hon. Gentleman also mentioned the working time directive. The Government have no intention of increasing the hours of work of a single junior doctor in the United Kingdom. We are still committed to implementing the new deal for junior doctors' hours, which we inherited from the previous Government. About 15 per cent. of junior doctors still work longer than those hours. We want to get those hours down. We are also making provision for better sleeping and feeding arrangements. My hon. Friend the Minister of State had a sensible and worthwhile meeting with junior doctors about those issues last week.

Primary Care Groups

2. **Mr. Denis MacShane** (Rotherham): If he will make a statement on progress in the introduction of primary care groups. [81808]

The Secretary of State for Health (Mr. Frank Dobson): Four hundred and eighty one primary care groups came into operation on 1 April. I pay tribute to the hard work of all those who have made possible that voluntary change, and I congratulate general practitioners on agreeing for the first time to share decision making on primary care with other professions and lay people.

Madam Speaker: Am I to understand that Question 3, tabled by the hon. Member for Altrincham and Sale, West (Mr. Brady), is to be linked with Question 2?

Mr. Dobson: If you wish it, Madam Speaker.

Mr. MacShane: I welcome my right hon. Friend's reply. Has he had a chance to read the new paperback book called "Satan's Children", written by the Opposition deputy spokesman on health, the hon. Member for Rutland and Melton (Mr. Duncan)? On page 319 there is a reference to the need to impose charges on users of the NHS as a deterrent. Will my right hon. Friend repudiate such nonsense and the other nonsense from the queen of the underworld—the shadow Secretary of State—and her exotic sidekick?

Madam Speaker: Order. A little more temperate language would be in order.

Mr. MacShane: I apologise, Madam Speaker. Does my right hon. Friend welcome the sensible speech of the right hon. Member for Hitchin and Harpenden (Mr. Lilley), which almost seemed to be on the new Labour wavelength?

Will my right hon. Friend consider the training of primary care groups, as the training of all involved in the partnerships—from GPs to receptionists—must be an integral part of making PCGs work? Will he instruct his officials to ensure that training is a part of the PCG programme in the future?

Mr. Dobson: I hesitate to correct my hon. Friend, but I believe that the book to which he referred is called not "Satan's Children" but "Saturn's Children"—which may account for the fact that the Tories seem to be running rings around one another all the time. They are certainly not running rings around any one else.

I will consider the question of the training of those serving on the boards of primary care groups. I believe that some training has been provided. Now that the PCGs have been established, I expect that the time taken by those serving on the boards will be reduced. We all know that a process of change or take-off is rather more time-consuming than what happens when one is cruising along. The PCGs are now established, and most are cruising along effectively.

3. **Mr. Graham Brady** (Altrincham and Sale, West): If he will make a statement on appointments to primary care group boards. [81810]

The Secretary of State has clearly forgotten that he asked for Questions 2 and 3 to be linked. He has also forgotten, apparently, that it is customary in the circumstances to attempt to answer both questions, not just one. [HON. MEMBERS: "Get on with it."] That is very rich coming from Labour Members. The Secretary of State made not even a passing reference to appointments to primary care group boards.

Given the information that has come to light already—that, in respect of appointments to health authorities and trusts to date, 84 per cent. of the councillors appointed have been Labour councillors—is it not ludicrous that the Department, in a written answer on 19 April from the Minister of State, Department of Health, the hon. Member for Southampton, Itchen (Mr. Denham), told me that it did not even intend to provide information about the political affiliation of those appointed to primary care groups? Is it not obvious that the Secretary of State is adding to the scandal of the political bias of the appointments made by the Department a further scandal—that of attempting to cover it up?

Mr. Dobson: Since Labour took office, 50 per cent. of the appointments to NHS boards have been women—a step in the right direction—and 11 per cent. have been black or Asian, which is one way of dealing with the institutionalised racism in the health service that we inherited from the Conservative party. As for primary care groups, we do not keep records because the bulk of the members of the groups are elected by GPs. It would be wholly improper for me to inquire into the political affiliation of the people whom GPs or local nurses elect to represent them on the boards of primary care groups.

Mr. David Borrow (South Ribble): GPs in my area of south Lancashire were involved in the pilots that operated prior to 1 April, and they were enthusiastic supporters of the change. However, they are concerned that the structures under primary care groups are too prescriptive. Will my right hon. Friend consider allowing more local flexibility as the new system beds down, to allow a greater recognition of the differences between one locality and another?

Mr. Dobson: I certainly wish to do that. Most of the detailed advice that we provided was at the request of the British Medical Association and the Royal College of General Practitioners which, at almost all stages, asked for further and more detailed guidance than we were giving them.

Miss Ann Widdecombe (Maidstone and The Weald): How much confidence can primary care groups have in their local hospitals when junior doctors will be obliged to work 65 hours a week instead of 56? If that is not the case, why did the Secretary of State propose it to the European Commission?

Mr. Dobson: We did not propose that to the European Commission. We are not proposing that any junior doctor should work longer hours than at present. The right hon. Lady knows that, and she should stop pursuing this daft line of argument.

Miss Widdecombe: If that was not proposed to the European Commission, why have I received a statement that says:

"The British proposals were put forward at a meeting of officials in Brussels yesterday in advance of their meeting later this month. European Commission officials said they were 'shocked' by the British stance on junior doctor hours. A Commission spokeswoman said: 'We are not talking about Turkish carpets here—we are talking about junior doctors' health and safety, and the lives of their patients.'"?

If there has been no proposal, how does the Commission know about it, and why does it say that there has been such a proposal?

Mr. Dobson: I find it extraordinary that a member of the anti-European Tory party should quote with approval criticisms of the Government of a sovereign state by a public official of the European Union.

Talks are going on in Europe in which the various Governments are considering the impact of the working time directive on doctors in their countries. We should be judged not by what is happening now but by how we end up. We are determined to end up with a system in which our junior doctors—and the interests of the national health service—are properly protected, and are not trapped by any rigidities imposed from Brussels.

Miss Widdecombe: When the European Commission says that it received a proposal from the British Government yesterday to raise junior doctors' hours from 56 to 65, is it misleading us, or is the Secretary of State having an incredible fit of imagination?

Mr. Dobson: Neither. As far as I know, the European Commission has not issued any official response to what we have said. Certainly, no one with any authority has done so.

Drug Addiction

5. **Sir Teddy Taylor** (Rochford and Southend, East): If he will make a statement on the extent to which the requirements on the NHS to deal with the effects of drug addiction and abuse are increasing or decreasing. [81812]

The Minister for Public Health (Ms Tessa Jowell): A key objective of the Government's drugs strategy, "Tackling Drugs to Build a Better Britain", is to increase the participation of problem drug misusers in drug treatment programmes. The number of users starting drug treatment in all agencies, including the national health service, has increased from 17,684 in the six months ending March 1994 to 23,916 in the six months ending March 1998.

Sir Teddy Taylor: In the light of that serious information, do the Government accept that hepatitis C, which stems from needle abuse, is reaching epidemic proportions in some parts of the country? Is the Minister willing to look into the matter and consider whether sufficient resources and attention are being given to this serious and worsening problem?

Ms Jowell: I certainly take the hon. Gentleman's point about the risks posed by hepatitis C, from which drug users are particularly at risk. We are considering how to reduce its prevalence among those who persistently misuse drugs.

Mr. Paul Flynn (Newport, West): Is it not a disgrace that Opposition Front Benchers should deliberately encourage the use of a drug that kills 1,000 times more people every year than heroin? I refer to the deadly, addictive drug tobacco. The official Opposition are complaining and asking for the price of tobacco to be reduced, even though there is irrefutable evidence that every time the price is increased, its use declines. Will my right hon. Friend condemn the official Opposition for that blatant attempt at drug pushing?

Ms Jowell: I entirely agree with my hon. Friend that this is another example of the Opposition in disarray, which is a daily occurrence. An Opposition Member has today criticised the Government's stance on raising tobacco taxation, whereas the right hon. Member for South–West Surrey (Mrs. Bottomley), a former Secretary of State for Health, claimed that tobacco taxation is crucial in reducing deaths caused by smoking. We have double-speak from the Opposition, and once again we have Tory disarray.

Eye and Dental Checks

6. **Mr. Paul Burstow** (Sutton and Cheam): If he will make it his policy to restore universal free eye and dental checks. [81813]

The Secretary of State for Health (Mr. Frank Dobson): Children, pregnant women, nursing mothers and people on low incomes have always been eligible for free dental checks and sight tests. From 1 April, we restored free NHS sight tests to everyone aged 60 and over—tests which were taken away by the previous Government as part of their policy of levying more and more charges on NHS patients.

Mr. Burstow: Although we welcome the extension mentioned by the Secretary of State, does he accept that many of us who believe in preventive health care are disappointed that the Government have not recognised the need to transfer more resources into prevention, which will save more money in the long run? More specifically, on dental care—another area in which we would like an extension of check-ups—my local health authority has seen seven out of 10 of its dentists registering increases in waiting lists. Does the Secretary of State agree that that is a further sign that the health service is under pressure and that resources are not going where they are needed? Resources are going not into prevention but into cure, which would not be needed if adequate funds were provided to detect problems and treat them early.

Mr. Dobson: It is certainly the case that this Government intend to put more and more resources into the prevention of ill-health, and we will continue to do so. However, it is our judgment, at least for the time being, that the gains to be achieved by restoring free dental checks are not as great as those that will be achieved by restoring free sight tests to everyone aged 60 and over. Priorities have to be balanced against other uses that could be made of the money, and we believe that at the moment there are better uses.

Mr. Peter L. Pike (Burnley): I very much welcome my right hon. Friend's comments about the reintroduction of free eye tests for the elderly. Does he agree that we inherited an NHS dental service in rapid decline following 18 years of Conservative Government? Many of my constituents are unable to get an NHS dental service. Does my right hon. Friend agree that it should be a priority for this Government to ensure that we again have an NHS dental service for all of our people?

Mr. Dobson: It is certainly the case that the policies of the previous Government effectively privatised NHS dental care in many parts of the country. We are taking steps to reverse that. More than 600,000 more people visited NHS dentists last year than in the previous year. We want to build on that progress, but it will take time, because we cannot force dentists out of their private practices into the NHS.

Mr. Alan Duncan (Rutland and Melton): We do not ever expect the Government to do much that they promised before the election, least of all in looking after people's eyes and teeth within the NHS. Will they do one thing for eyes that needs doing and that we would support? So far, the Government have done nothing to prepare people for the dangers of August's solar eclipse. Will the Secretary of State guarantee that he will implement a programme to inform people in schools and elsewhere about how to look after their eyes when they are tempted to stare at the sun? What are the Government's plans?

Mr. Dobson: Measures will be taken, as they have been taken in the past, to warn people of the dangers of staring into the sun during an eclipse. The way things are going it will be the eclipse of the Tory party.

Oral Health

7. **Ms Hazel Blears** (Salford): What action he is taking to improve the oral health of children and young people in inner-city areas. [81814]

The Minister for Public Health (Ms Tessa Jowell): Because of the clear link between deprivation and tooth decay, we have funded health authorities in areas with some of the highest levels of dental decay to distribute toothbrushes and fluoride toothpaste to children in schools in the most deprived parts of those areas. From 1 April 1998, in addition to the general uplift in the fees that dentists receive, we increased capitation payments for children under six in deprived areas by an additional 25 per cent. We have also commissioned the Health Education Authority to produce further leaflets and information for parents and carers of very young children to complement the advice and guidance available from health visitors. We have also arranged for the translation into Asian languages, of leaflets about caring for very young children's teeth because some children in Asian communities are especially vulnerable to tooth decay.

Ms Blears: I thank my right hon. Friend for that extensive reply. Is she aware of our innovative project in Salford, where we have just launched a mobile dental surgery, funded in part by the Humphrey Booth charity and run by the general dental service? The mobile surgery goes to primary schools—so the children have no escape from the dentist—and is proving to be surprisingly popular. It also provides a drop-in centre for dental services for young homeless people. That project was funded under the Government's investing in dentistry strategy. Will my right hon. Friend confirm that other, similarly innovative projects will be supported in our poorest communities?

Ms Jowell: The answer is yes. The project described by my hon. Friend is extremely worthwhile. It goes some way towards explaining why the dental health of Salford's five-year-olds has improved so much since 1995. I congratulate all those involved with that excellent initiative, which we shall examine to see whether it can be applied in other parts of the country to tackle the tooth decay experienced by very young children in some of our most deprived areas.

Mr. Andrew Robathan (Blaby): The Minister will know that some people who want to improve oral hygiene advocate the mass fluoridation of the water supply.

Mr. Desmond Swayne (New Forest, West): Shocking.

Mr. Robathan: Some constituents have written to me to express their great anxiety about that. I share that anxiety, and have sought advice on the matter. Although I have come across some evidence and opinion that mass fluoridation is useful, other evidence suggests that it may have long-term adverse affects on the human skeleton. Will the Minister reassure the House that, before this poison is artificially introduced into the water supply, it will have been established beyond doubt that there will be absolutely no long-term harmful effects on people who, like those in the west midlands, are forced to drink fluoridated water?

Ms Jowell: In the last few seconds, the House has seen the strong feelings aroused by the debate about putting fluoride in water. I remind the House that the legislation permitting the fluoridation of water was passed under the previous Conservative Government.

The public health Green Paper involved wide consultation on attitudes to fluoridation, and the White Paper to be published shortly will set out our response to that consultation.

Stroke Care

8. **Mr. Harry Barnes** (North-East Derbyshire): What actions he proposes to take to reduce death and disability among those who do not have access to organised stroke care. [81815]

The Parliamentary Under-Secretary of State for Health (Mr. John Hutton): The national service framework for older people was launched in November last year and will focus on those parts of the national health service that are particularly important to older people. The provision of effective stroke care is one of the key issues that it will consider. The national service framework will set national standards and define service models, put in place strategies to support implementation and establish performance measures against which progress—for example, in providing effective stroke care and agreeing time scales—can be measured.

Mr. Barnes: Has the Minister seen the Stroke Association's report entitled "Stroke Care: A Matter of Chance", which shows that the provision of specialist stroke units varies considerably around the country? For example, 70 per cent. of stroke victims in Northern Ireland can be treated in that way, but only 37 per cent. in the south-west of England. There is no such unit in north Derbyshire, the area that I represent. I welcome the Minister's remarks about the national service framework for older people, and I know that the Stroke Association is working within that framework. Will my hon. Friend confirm that the next set of priorities and planning guidance to be formulated for the national health service will add to the existing provision? Some hon. Members know that other hon. Members are only a stroke behind them.

Mr. Hutton: I am grateful to my hon. Friend for that question, and I am aware of his situation. We welcome the Stroke Association's report, which showed that three quarters of consultants have access to an organised stroke service. Such access is increasing. We are very conscious of the need for consistency around the country. That is why we have organised the national service framework and tasked it with producing consistent national standards for the development of effective stroke care. The national priorities guidance already covers stroke care. We have set rigorous targets for trying to reduce morbidity from strokes by 2010.

Mr. Shaun Woodward (Witney): Given the Minister's obvious concern for patients who suffer from strokes, and his awareness of the role that day care centres attached to community hospitals can play, can he say whether the Department has decided to save the pioneering work of the Burford community hospital? Has not the time come to put its worried patients out of their misery by saying that the Government will save it?

Mr. Hutton: I welcome the hon. Gentleman's interest in the matter. All I can say about the proposals for

Oxfordshire is that my right hon. Friend the Secretary of State is continuing to review the matter and has not come to a decision.

Dr. Vincent Cable (Twickenham): I welcome the Government's commitment to addressing the problem, but is the Minister aware that the deficiency of stroke care is so serious that, in many hospital trusts, stroke rehabilitation is being rationed on the basis of the age of patients? Will he try to ensure that that practice, which is wholly contrary to the spirit of the NHS, is stopped?

Mr. Hutton: We have repeatedly stressed that discrimination against older people in the NHS is fundamentally inconsistent with the service's basic ethos, and we will not tolerate it. I know that the hon. Gentleman has a particular interest in the matter. We are not complacent about the situation, which is why the national service framework is reviewing the provision of effective stroke care. We want those services to improve.

Medical School Places

9. **Mr. Alan Johnson** (Hull, West and Hessle): How many of the bids received by his Department for new medical school places focused on primary health care. [81816]

The Secretary of State for Health (Mr. Frank Dobson): The Government are committed to providing 1,000 extra places in medical schools so that we can produce more doctors. Twenty proposals have been received to create the extra places by extending existing medical schools or establishing new ones. All the submissions address primary health care issues.

Mr. Johnson: I thank my right hon. Friend for that answer. He will know that the University of Hull and its NHS partners have submitted an excellent bid based on primary and community care-based clinical excellence. Can he assure me that the largely untapped resources outside the traditional, established medical school areas will be fully and fairly evaluated in that exercise?

Mr. Dobson: I assure my hon. Friend that, in so far as it is within my power—ultimately, the decision lies not with me but with the Higher Education Funding Council—I want to ensure that all the applications are thoroughly scrutinised so that we get good-quality proposals and value for money. I cannot say any more about the individual bids, except that most of them appear to have been top quality.

Mr. Peter Luff (Mid-Worcestershire): On new medical school places, does the right hon. Gentleman think that his clear intention, which he has tried but failed to conceal, to make junior doctors continue to work unreasonably long hours will make it easier or more difficult to fill places?

Mr. Dobson: On the assumption that the hon. Gentleman needs medical treatment to clean out his ears, I repeat that it is not the intention of the Government that any junior doctor should be expected to work longer hours.

Residential Care

10. **Dr. Lynne Jones** (Birmingham, Selly Oak): What measures he is taking to improve the regulation of residential care. [81818]

12. **Ms Sally Keeble** (Northampton, North): What measures he is taking to improve the regulation of residential care. [81820]

The Parliamentary Under-Secretary of State for Health (Mr. John Hutton): We intend to establish eight new independent commissions for care standards to register and inspect all residential care homes, nursing homes, all children's homes and other care services. We are also developing national regulatory standards in relation to the provision of care and we shall ensure that those standards are met. Those measures will provide stronger protection for vulnerable people in residential care and other care settings, and provide a more coherent and consistent regulatory framework.

Dr. Jones: I welcome the proposals to improve the consistency of care standards, but one of my concerns is that, after years of Tory Government constraint on capital investment, many local councils, such as Birmingham, are facing unacceptable delays in bringing the physical conditions in their residential homes up to their own registration standards. That is forcing them into privatisation deals against the wishes of residents. Will my hon. Friend ensure that adequate capital resources are made available to local authorities so that we can honour our commitment to pensioners to put a halt to Tory policies that have forced councils to sell off old people's homes?

Mr. Hutton: I am aware of my hon. Friend's concerns; we have discussed those issues on the Floor of the House on previous occasions. I am sure that she would agree, however, that the main issue for all hon. Members is to ensure that, right across the spectrum—whether in private care, independent care or local authority care—there are consistently high standards in the quality of care. That is the real issue—not who is providing that care. We made those policies extremely clear in our modernising social services White Paper.

However, I point out to my hon. Friend and to the House that the recent local government settlement provided record new resources for social services—more than £523 million of additional resources this year. We are keen to encourage social services departments to explore new, innovative ways of packaging and financing the provision of residential care. That is the best way to meet what our constituents want—better care, better standards and better provision.

Ms Keeble: I welcome the proposals for the commissions; I hope that they will lead to a substantial improvement in the care of people in all sectors—private, independent and council. However, will my hon. Friend give me assurances on three questions? First, could the commissions look at personal living allowances, which, in some homes, are used to supplement costs instead of going to people so that they can pay for personal expenses? Secondly, can there be provision for lay visitors, or advocates, for people in homes, and can such

visitors have right of access, to supplement inspections? If people are concerned about a particular issue, there would be someone in whom they can have confidence to take it up, and that person would have right of access to the home. Thirdly, could the commissions consider the particular needs of ethnic minority people in care? Often, skin care, diet and so on are not properly provided for, especially in the case of children and elderly people. Will my hon. Friend give me assurances on those three matters?

Mr. Hutton: We are considering the whole issue of personal living expenses—the personal living allowance—as part of our wider response to the recommendations of the royal commission. We shall announce some proposals when that consideration has been completed.

My hon. Friend asked a specific question about the provision of services for ethnic minorities. It is up to local authorities to ensure that there is a balanced range of provision to reflect the needs of the local population. That is very much the responsibility of the social services departments.

As for complaints procedures and the role of independent advocates, there are already requirements for proper complaints procedures to be in place in every local authority in England and Wales. We envisage that one of the responsibilities of the new commissions for care standards will be to ensure that those procedures are working properly—that will fall four-square within the remit of the new commissions.

Mr. Tim Boswell (Daventry): Does the Minister accept that, although there are certainly merits in a greater degree of consistency in the regulations for residential care homes, that presupposes that there is a residential care home sector to be regulated? Homes in both the private and the public sectors face the impact of the working time regulations and the national minimum wage, in addition to the general course of inflation, because they are major employers. In those circumstances, does the hon. Gentleman not find it odd that, for example, Northamptonshire county council—the county of the hon. Member for Northampton, North (Ms Keeble) and myself—can offer only an additional 2.5 per cent. to providers? That is totally inadequate to maintain that service.

Mr. Hutton: I am sure that the hon. Gentleman will agree that it is most important for workers in this sector to have the same basic employment entitlements as anyone else. I am sure that he is not arguing—although perhaps some of his right hon. and hon. Friends are—that the minimum wage legislation and the basic entitlements to statutory rights at work should not apply in care homes. That would be a most unfortunate position for him to adopt. We have given local authorities a record amount of resources this year. Later in the summer, we shall produce some proposals to try to improve the commissioning process—whereby local authorities purchase care from the independent and private sectors. However, it is wrong—even by implication—to suggest that there is a crisis in the independent care home sector. That is not so. That sector continues to grow and expand.

Rev. Martin Smyth (Belfast, South): We recognise the importance of the private, independent and voluntary sectors in residential care, and welcome the Government's commitment to improve that care to the highest standards. To what extent are such homes regulated in respect of dealing with waste, both clinical and other, bearing in mind that it has an impact on the economy and on health care, and that, as I understand it, residential homes outstrip the national health service in terms of the amount of waste that they generate?

Mr. Hutton: I am afraid that I do not have any specific information to enable me to answer the hon. Gentleman's question today, but I shall be happy to correspond with him. One of the strong advantages of our proposals is that the new commissions for care standards will bring together both regulators from social services departments and inspectors from health authorities, so that we have a proper spread of expertise located within the regulatory and inspection bodies. That is a significant step forward and, as I said, I shall be happy to correspond with the hon. Gentleman in more detail on the technical questions that he raises.

Mr. Bob Blizzard (Waveney): Residential care home owners in my constituency have raised with me their concern about the inconsistency of some of the inspectors who currently operate through local authorities: they feel that, often, the judgment of the facilities in their home depends on which inspector turns up. Therefore, although they welcome the new commissions, they are concerned that some of those inconsistent inspectors might simply reappear with a new title. What can my hon. Friend say to those people to assure them that there will be greater consistency under the new arrangements?

Mr. Hutton: I can tell my hon. Friend, and he can pass the message on to care home owners in his constituency, that the issues he raises are precisely why we are intent on developing proper national regulatory standards. We have received from the Centre for Policy on Ageing specific proposals on which we intend to consult nationally in the near future. Through the combination of clear national standards and an improved regulatory and inspection mechanism, we shall overcome some of the problems that my hon. Friend raises. Of course, the final decision on which inspectors are employed by the new care commissions will be taken by them, not by me.

Beta Interferon

11. **Mr. John Bercow** (Buckingham): What recent representations he has received in respect of the provision of beta interferon in the NHS. [81819]

The Minister of State, Department of Health (Mr. John Denham): Our records show that we have received 114 written representations from Members of Parliament, patients' groups and the public about the prescribing and funding of beta interferon since 1 January this year.

Mr. Bercow: I am grateful to the Minister for that reply. Given that Miss Caroline Cripps and Mr. Marc Smith—two brave young constituents of mine who suffer from the relapsing-remitting form of multiple sclerosis—were recommended for treatment by beta interferon by their respective consultant neurologists in June and

November 1998, but that they have so far endured the misery of being denied funding by Buckinghamshire health authority, can the Minister today give the House a guarantee that new guidance will be issued by the National Institute for Clinical Excellence as soon as possible, and no later than the start of the summer recess, to the effect that, where beta interferon is clinically appropriate, it should ordinarily be prescribed?

Mr. Denham: I am aware that Buckinghamshire health authority has given the go-ahead for more patients to be treated with the drug, but the issue the hon. Gentleman raises is nevertheless an important one. There is wide variation in prescribing practice, although that, as often as not, reflects clinicians' differing views on the clinical benefits and cost-effectiveness of the drug. We have said that we are likely to ask NICE to prepare guidance on the use of beta interferon for both the relapsing-remitting and secondary progressive forms of the disease; but given that NICE came into existence only on 1 April, I do not believe that I can give the hon. Gentleman an assurance that it will be possible for it to report before the summer recess.

Mr. Kevin Barron (Rother Valley): Will we have some national service framework for beta interferon so that we may get rid of the rationing mess that we inherited from the previous Government and direct regional health authorities to spend money in this area of intervention?

Mr. Denham: We have not said that there will be a national service framework in relation to multiple sclerosis, but we want the National Institute for Clinical Excellence to provide authoritative guidance on the clinical benefits and cost-effectiveness of different treatments and pharmaceuticals. The issuing of such guidance will ensure greater consistency in practice from one part of the country to another. We inherited quite unacceptable variations in practice, and we are determined to tackle that problem.

Mr. Philip Hammond (Runnymede and Weybridge): The Minister will know that the Minister for Public Health has said in the House that there is no rationing in the national health service. However, the chairman of the National Institute for Clinical Excellence has stated that that institute may have to recommend against availability on the national health service of clinically effective drugs such as beta interferon because of limited resources. Would Health Ministers accept such a recommendation from NICE? If that is not rationing, what is?

Mr. Denham: I do not know why the hon. Gentleman refers persistently to the comments of my right hon. Friend the Minister for Public Health, because I have said precisely the same thing on several occasions. Priority setting has been a part of every health system in the world, and I believe that the national health service is fairer and more equitable than all of those systems. The hon. Gentleman should be aware that we know what he and his right hon. and hon. Friends are up to: they are seeking to use this issue to undermine public confidence in the national health service in order to promote their own agenda of private health care.

Generic Drugs

13. **Mr. Richard Burden** (Birmingham, Northfield): If he will make a statement on trends in the prices of commonly prescribed generic drugs since 1 January. [81821]

The Minister of State, Department of Health (Mr. John Denham): The United Kingdom benefits from a competitive generic market in which prices fluctuate naturally in response to a wide range of factors. There have been reports of increases in the prices of some products since the new year, but I do not think it would be reasonable to attempt to define a trend based on the short period since 1 January 1999.

Mr. Burden: I thank my hon. Friend for that reply. He will be aware of the on-going concern about the effectiveness or otherwise of the pharmaceutical price regulation scheme—indeed, that issue is partly addressed in the new Health Bill. Is the Minister aware of informal research conducted in Birmingham into 12 commonly prescribed drugs, which revealed that at least some have increased in price by 50 per cent. or 60 per cent. since 1 January this year? In one case, the price increased by 114 per cent. As I have said, that is informal research, but does it not suggest that consistent national research should be conducted so that we may discover what is going on in this area and be assured that the NHS, and therefore the patients, are not being ripped off by at least some pharmaceutical companies?

Mr. Denham: I assure my hon. Friend that we always monitor carefully the movements in pharmaceutical prices, and will continue to do so. I shall certainly examine the reported increases in the prices of some generic products since the beginning of the year.

By and large, generic prices are kept in check by the effects of competition and the reimbursement system for dispensing contractors. There were an unusually large number of shortages in the supply of certain medicines earlier this year. Those shortages appear to have been temporary—many have been resolved—but they may have been reflected in the price increases. The key point is my assurance to my hon. Friend and the House that we will monitor the situation very carefully to identify whether any other factors are at work.

Edgware Hospital

14. **Mr. Andrew Dismore** (Hendon): If he will make a statement concerning the level and availability of out-patient and day surgery treatment at Edgware hospital. [81822]

The Minister of State, Department of Health (Mr. John Denham): Edgware community hospital forms an integral part of the health service in that part of London. All local national health service organisations are committed to ensuring that the level of out-patient and day surgery services at the hospital is appropriate and that those services are effective in meeting the needs of local people.

Mr. Dismore: Is my hon. Friend aware that there has been some concern in my constituency that when

Wellhouse trust was running the acute services on the site, it was not delivering the level of service that my constituents were entitled to expect? Will he reassure my constituents that, now that acute services have been taken over by the merged Barnet and Chase Farm trust, they can expect to have the build-up of out-patient and day surgery cases that they are entitled to expect, to ensure that they can obtain treatment locally instead of having to travel quite long distances?

Mr. Denham: I want to reassure my hon. Friend. It is true that some services were transferred from Edgware hospital in what was always regarded as a short-term move. Currently, 60,000 out-patient attendances are reported at Edgware community hospital, but I can assure my hon. Friend that local NHS trusts are working hard, with the full support of the health authority and of primary care groups, to ensure that sessions in general surgery, urology, gynaecology and orthopaedics are reintroduced to the hospital.

Sir Sydney Chapman (Chipping Barnet): What changes have there been to the accident services at Edgware other than those that were planned by the previous Government? Is not the truth of the matter that the only change that has been made is to call it something other than a minor accident treatment centre, which has so confused people who have what they think are serious injuries that they go to Edgware instead of Barnet?

Mr. Denham: It was the Government in which the hon. Gentleman served who closed the accident and emergency department. Since we came to office, we have sought to define clearly a new and positive role for Edgware community hospital. I have mentioned the additional services that local trusts are seeking to develop. The first phase of the redevelopment of the hospital has already been completed, at a capital cost of £11 million, and I understand that a full business case for phase 2 is due for submission to the National Health Service Executive shortly. We have therefore given significant backing to the future of the Edgware hospital.

Mr. Tony McNulty (Harrow, East): I am grateful to my hon. Friend for confirming that the Tories, not the present Government, shut the A and E at Edgware, on 1 April 1997. Can he confirm that the services that the urgent treatment centre will provide will represent a significant advance on what went before, not least in telemedicine, given that it has all been taken over by Central Middlesex hospital trust—not Wellhouse trust, which was a sham and a disaster from day one?

Mr. Denham: I am afraid that I did not catch the latter half of my hon. Friend's question—

Mr. Andrew Mackinlay (Thurrock): Sham.

Mr. Denham: I heard the word sham, but not what it referred to; that is why it is difficult for me to answer the question fully. However, my hon. Friend can be assured of our genuine commitment to the future development of high-quality services at Edgware community hospital.

Clinical Treatment (Priorities)

15. **Mr. Desmond Swayne** (New Forest, West): If he will make a statement on the priorities for clinical treatment in the NHS. [81823]

The Secretary of State for Health (Mr. Frank Dobson): Clinicians make decisions about clinical priorities, in consultation with patients and based on the clinician's assessment of need. These decisions should be taken within the broad framework of priorities which the Government have set out in the national priorities guidance, and from now on should reflect guidance from the National Institute for Clinical Excellence and, as they are established, national service frameworks covering coronary heart disease, mental health, the care of old people and diabetes.

Mr. Swayne: Does the right hon. Gentleman agree that the increase of some 200,000 in the number of patients who have to wait more than 13 weeks to get a first appointment with a consultant is a worrying denial of any clinical priority?

Mr. Dobson: The last advice that was issued to the national health service on clinical priorities—under the present Government on 18 July 1997—said:

"Clinical priority must be the main determinant of when patients are seen as outpatients or admitted as inpatients. The first service priority of the NHS is to treat emergency cases quickly and appropriately. For elective patients consistent principles must be applied when planning outpatient clinics . . . and inpatient . . . admissions to ensure that patients with the greatest need are seen first."

That is what the clinicians should be doing and are doing.

Kali Mountford (Colne Valley): I am glad that my right hon. Friend thinks that appropriate decisions should be taken by clinicians. Given that, two weeks ago, a report was published that throws doubt on the use of oral contraception by young women, will he ensure that it is clinicians who advise young women about the use of oral contraception, so that there is no repeat of the problems that we had some five years ago when, following the publication of a similar report, women were forced to resort to abortion or unwanted pregnancies?

Mr. Dobson: It is always important to ensure that reports on any existing form of treatment are carefully written by the people who produce them. Sometimes, unfortunately, even people who claim to be scientists or clinicians go for their 15 minutes of fame, rather than a proper, balanced presentation of the research that they have undertaken. They should always bear in mind the possible adverse impact of trying to gain publicity for its own sake.

Mr. David Davis (Haltemprice and Howden): In the past two weeks, there have been two independent reports on stroke and cancer treatment, which indicate that 5,000 unnecessary deaths occur each year and that several thousand more people are invalided in one way or another as a result of being unable to get proper treatment on the national health service. Will there be a change in the Secretary of State's policy priorities on clinical treatment to reflect that?

Mr. Dobson: There has been a huge change in policy priorities under this Government, which are intended to

deal with the historic situation described in those reports. We recognise that there are massive variations in the availability of services across the country. It is preposterous that in some cases, people are more likely to get treatment the nearer they live to the specialist hospital that provides such treatment. That is an absurd situation. We are giving top priority to the reduction of coronary heart disease and strokes, and to dealing with cancer.

We also recognise, as the previous Government utterly failed to do, the inequalities in health. It is clear that poor people are ill more often, die sooner and frequently get less good treatment from the national health service than they should. We must do something about that. The previous Government did nothing about it. We have changed the priorities.

Mental Health (Drug Administration)

16. **Mrs. Helen Brinton** (Peterborough): If he will make a statement on the use of compulsion in community mental health drug administration treatments. [81824]

The Parliamentary Under-Secretary of State for Health (Mr. John Hutton): Our review of the Mental Health Act 1983 will bring to an end the requirement that compulsory treatment can be provided only in a hospital. A principal objective of the review is to create a new legislative framework that will support care and treatment in a wider range of settings and in the least restrictive environment possible, for which the current legislation fails to provide.

Mrs. Brinton: I thank my hon. Friend for his reply. Is he aware of the considerable concern surrounding the Government's current review of the Mental Health Act 1983? Can he assure me that the changes that the Government will no doubt introduce will not result in an increasing number of patients being subjected to compulsory treatment in their communities?

Mr. Hutton: I am aware of those concerns. We have been trying to take them into account as we develop our proposals. The purpose of the review is to make sure that the legislation better protects patients. We will make it absolutely clear that any further provisions relating to compulsory treatment under any new legislation will be fully compliant with our obligations under the European convention on human rights—in other words, there will be proper safeguards.

Of course, any decision about whether a patient needs to be compulsorily detained is a matter for proper clinical assessment and risk assessment, and it is not Ministers who make such decisions. I am not sure whether it would be helpful for me to offer an opinion about the numbers. Those are ultimately decisions taken by the professionals.

Dr. Peter Brand (Isle of Wight): It is true that a clinical assessment must be made, but it is done within a framework set by Ministers. Can we have an assurance from the Minister that the Home Office will be involved in the discussions on compulsory treatment orders, and that there will be a proper definition of what constitutes a clinically treatable mental illness, as opposed to a personality disorder?

Mr. Hutton: Any eventual proposals will be published by the Government for consultation. However, the hon. Gentleman is not right to say that it is Ministers who determine the individual assessments, or even the framework of the assessments. That is not so, and it is not and never has been provided for in the legislation. Those are issues for clinical assessment and clinical judgment. We intend to legislate for a better framework of mental health law, which will better provide for the needs of mentally ill people. We have made no secret about that and I am confident that it will produce a better framework of law in the long term.

Tobacco Advertising

17. **Mr. John Gunnell** (Morley and Rothwell): When he intends to publish regulations implementing the ban on tobacco advertising. [81825]

The Minister for Public Health (Ms Tessa Jowell): We hope to publish regulations implementing the ban on tobacco advertising before the summer recess. They will be accompanied by a revised regulatory impact assessment and a further period of consultation will be allowed for before the regulations are laid before the House.

Mr. Gunnell: I thank my right hon. Friend for that reply and for the progress that she is making. I hope that she proposes to make the regulations mandatory because it is important to have action and to have it followed up. If the regulations are not initially mandatory, I hope that they will soon become so. Is my right hon. Friend aware that billboard advertising of tobacco has now been banned in the United States of America—I was informed of that by the British Medical Association—which is a firm measure? It would be helpful if American companies that advertise their wares in the United States had similar difficulties when advertising them here—that goes for other legislation too. I am anxious that we should have tough legislation to stop such tobacco advertising.

Ms Jowell: I thank my hon. Friend. I can confirm that the ban will be statutory and will have the effect of law. We are banning tobacco advertising because we are determined to cut preventable deaths from cancer and heart disease, to protect children and to tackle health inequalities.

Points of Order

3.32 pm

Mr. Tam Dalyell (Linlithgow): On a point of order, Madam Speaker. Have you had any requests from the Foreign Office or the Ministry of Defence to make a statement on the justification for the use of graphite-based weapons in Yugoslavia to dismantle and disrupt electricity supplies? Has there been any consideration of the likely effect on Serb soldiers fighting in Kosovo and how they might react to what they hear is going on in their home towns? In particular, has any study been made of the effect of the policy not only on hospitals, but on the nuclear plant at Vinca; and of the possible radiation consequences of disrupting electricity safety supplies? Has there been any request for a statement on the concerns of the Bulgarian Government about their nuclear power station at Kozcoduy, where pollution in the Danube is creating problems with the coolant systems which the Bulgarians think could result—I am not saying that it would—in Chernobyl-like problems?

Mr. Tony Benn (Chesterfield): Further to that point of order, Madam Speaker. May I also seek your advice on nuclear safety? I have received a fax from one of the scientists at the nuclear science institute at Vinca, which has a research reactor that has not been used for 15 years but where there is a great deal of uranium 235. There is a possibility not only that it might be hit but that the electricity supplies may be disrupted, as my hon. Friend the Member for Linlithgow (Mr. Dalyell) said, with the effect that the uranium would be released into the atmosphere. I plead with you to continue your good work, Madam Speaker, in trying to keep the House informed about the war. Apparently the Government do not think it necessary to inform us on a day-to-day basis.

Mr. Dale Campbell-Savours (Workington): Further to that point of order, Madam Speaker. Have you received a request from the Prime Minister to make a statement to the House on his successful visit to Albania and his speech to the Albanian Parliament? Perhaps you might accept such a request in the light of the fact that I understand that throughout his visit, wherever he has been, but particularly in the presence of refugees, everyone has congratulated him on his decision to be part of a NATO force to bring democracy to Kosovo and relieve the suffering of millions of people.

Mr. David Winnick (Walsall, North): Further to that point of order, Madam Speaker. So that there should be absolutely no misunderstanding, many of us are concerned about the effects of the bombing raids, but we also recognise that the way to stop them is for the President of Serbia to come to the negotiating table and agree to what NATO has asked.

You will know, Madam Speaker, that Westminster Hall is used on various occasions for dignitaries visiting both Houses. I mentioned in Business questions on Thursday the "Panorama" programme that showed the terrible crimes and atrocities committed against ethnic Albanians. Will there be an opportunity to use Westminster Hall to show that film and perhaps other films so that Members of both Houses can see what has been happening in Kosovo, see the crimes that have been committed, and see why it was necessary for military action to be taken? The reason has been explained on several occasions in the House.

Madam Speaker: The last point is a matter for the Domestic Committees in the first instance and the hon. Gentleman may wish to put it to an appropriate Committee. I am of course anxious for the House to be kept informed on the other matters raised. I believe that the Government, too, are anxious that the House be kept informed about developments in Kosovo and the whole of that region. I have not been informed that any Minister seeks to make a statement. I am anxious for Ministers to do so and I am at the disposal of any Minister who wishes to make a statement.

I hope, however, that points of order will not be used to make political statements. I fear that it is coming to that. I understand the anxieties of all hon. Members. We all feel passionately one way or the other about the matter, but I ask them to use points of order simply to raise points about the order of business. As soon as a statement is available, I shall be here ready to deal with it. I am most anxious that the Government keep the House up to date on developments in that area.

Sex Education in Schools

3.37 pm

Dr. Evan Harris (Oxford, West and Abingdon): I beg to move,

That leave be given to bring in a Bill to introduce an entitlement for all children to receive sex and relationships education in schools from key stage one onwards; and for connected purposes.

We are failing the young people of our country in a key area of their health and education. The United Kingdom has the highest number of teenage pregnancies in Europe and the second highest number in the developed world. In England and Wales, 9.4 girls of every 1,000 under 16 become pregnant. The number of under-age pregnancies increased by 11 per cent. in 1997-98.

An article in the *British Medical Journal* by the distinguished Professor Michael Adler in June 1997 summarised the picture at that time:

"The Health of the Nation has so far failed to deliver. The agenda for success is fourfold. Firstly, it requires clear, easily obtainable sex education and contraceptive advice for young people before they start to have sexual relationships, with the ability of the schools to give this without fear or hindrance from the Department of Education."

It went on to propose other methods of improving the sexual health of our young people.

It is not only in teenage pregnancy that there is failure. Britain has an unacceptably high rate of teenage abortion. For some people, abortion is an ethically outrageous exercise, and for others who do not take that view, it is nevertheless an avoidable medical procedure that can leave some psychological effects on some patients. It is entirely appropriate that all measures be taken to reduce the number of abortions, especially among the young, whatever side of the argument one is on.

There is an increasing number of single parents, with the social exclusion that the Government have recognised stems from that. Many single-parent families are unplanned. It is my contention in the Bill that education could be part of a strategy to reduce the number of single-parent families.

There is a huge demand for information from young people. A recent report by Childline entitled "I Can't Believe It Has Happened To Me" said that 7,317 girls and 434 boys called the line about pregnancy in 1997–98. Almost 80 per cent of those who gave their age were under 16; some were as young as 12. More 14 and 15-year-old girls called Childline about pregnancy than about any other issue.

The confidential young persons' sex information telephone line Sexwise is inundated with calls. It is not widely advertised: it cannot be more widely advertised, because it lacks the capacity to cope. When I visited its headquarters, I was shown that five or six calls were queueing up for every operator. That represents a failure to deliver the confidential advice and education that young people require.

Mr. John Hayes (South Holland and The Deepings): Will the hon. Gentleman give way?

Madam Speaker: Order. An hon. Member cannot give way when speaking on a ten-minute motion.

Dr. Harris: Currently sex education is provided in both primary and secondary schools, but I contend that it is not adequate. Statutory sex education is not compulsory, apart from what is included in the science curriculum in primary schools. At present, at key stage 1, for pupils aged between five and seven, that covers

"the naming of the main external parts of the human body, knowing that humans can produce babies and that these babies grow into children and then into adults."

In key stage 2, for children aged between seven and 11, as part of the science curriculum pupils are taught

"the main stages of the human life cycle",

and at key stage 3, pupils aged between 11 and 14 are taught about

"the human reproductive system, including the menstrual cycle and fertilisation."

What is missing from that bare-bones science curriculum is anything to do with relationships, responsibility and empowering young people to have control over their bodies and be able to resist the peer pressure that leads people into unwise sexual activity at too young an age.

Primary education should include a series of other items that are currently non-compulsory. Pupils should be able to

"know that humans develop at different rates . . . name parts of the body including the reproductive system . . . know about personal safety—for example, know that individuals have rights over their own bodies, and that there are differences between good and bad touches; begin to develop simple skills and practices which will help maintain personal safety; appreciate ways in which people learn to live and work together listening, discussing and sharing; understand the importance of valuing oneself and others; begin to recognise the range of human emotions and ways to deal with these."

At present, that is not compulsory information for those aged between five and seven at key stage 1.

At key stage 2, for pupils aged between seven and 11, the non-compulsory sex education programme urges schools

"to teach pupils to begin to know about and have some understanding of the physical, emotional and social changes which take place at puberty."

When young people are asked whether they feel that they are receiving adequate sex education, the message that they convey is no. One in 10 young girls admits to being given no education about periods before they occur, and there is a well-established void in terms of sex education available to boys, who bear at least half the responsibility for conception.

Of course, not just sex education is necessary. Conception in the case of those under 16 depends on the number of young people who are having sex, the number who are using contraceptives and the number who are using them effectively. What is required is education, along with advice and free and confidential access to that advice.

The problem has been dealt with much better on the continent. Teenagers in both the Netherlands and Scandinavia have wide access to early, clear sex education. Not only do those countries have the lowest rate of teenage conceptions in Europe, and also the lowest rate of teenage abortions; in the Netherlands, on average young people become sexually active at a much later age. That shows that the delivery of education, and the empowerment of young people to resist pressure from others—including peer pressure—can deter them from engaging in under-age sex, which many of us, and probably all hon. Members, consider not to be good for them.

[Dr. Harris]

We in the House have a duty to be politically courageous. There are those who have other views, but I believe that it is incumbent on those of us who feel that there is a need to improve the sexual health of young people to give a lead. We should not be dissuaded by sensationalist media coverage, often by the very papers that use their pages to portray over-sexual images—particularly of women—aimed at young people.

We have to recognise that young people are exposed to sexuality through the media, through television, even through soap operas and through films. We live in a world where young teenagers are sexually active. We as legislators, as well as the medical profession, teachers and the nursing profession, have a duty to support those young people and to give them the education that they need.

My move is backed by the British Medical Association, which said in a statement:

"The BMA Committee for Public Health, Medicine and Community Health supports efforts to ensure schools have effective sex and relationships education (SRE). We believe this is vital to meet the Government's stated aim of reducing the high number of teenage pregnancies in the UK. We urge the Government to express its support for SRE education in schools and increase funding for the school health service to assist with the provision of services for young people in schools."

Throughout the schools system, we require improved education. I commend the Bill to the House for that purpose.

3.46 pm

Mr. Shaun Woodward (Witney): I oppose the Bill as a director of Childline, although I do not speak for Childline. I do so after much consideration, particularly, as my hon. Friends will know, since I take a very strict view that there should be an equal age of consent. I have voted for that in the House, but the Bill also relates to children in primary schools. We have to be careful to distinguish the fact that we are talking specifically about children, not young people.

There is an innocence to childhood that needs to be preserved and maintained. Beginning sex education—not relationship education—at key stage 1 goes a stage too far. Children should be taught about relationships from the beginning of their time in school—loving relationships, family relationships, relationships between friends—but sex education is not appropriate for a small child.

The present system seems about right. The Bill poses a number of questions. I do not for one moment question the integrity of the hon. Member for Oxford, West and Abingdon (Dr. Harris) in introducing the Bill, but I worry about the consequences should it become law. It raises the question: what should the teachers teach? What should the content of such lessons be; and, indeed, who should teach it? What is "adequate"? Adequate for some parents may not be adequate at all for others. One culture may require one sort of teaching and another may require another. Again, we are talking about children of a very tender and vulnerable age.

I have another fear, which has arisen far too often in my work with Childline. When it is done wrongly—of course, one would hope that it would be done only correctly—such education can create peer pressure of its own: peer pressure on children in the later years of primary school to enter into relationships with which they are ill prepared to cope. Such issues are, of course, difficult. It is right that the House should debate them, but difficult issues require judgments.

I worry about producing a situation where instructions from the centre go out to a huge range of primary schools. It will be arbitrary. All sorts of children and cultures are found in those schools. I ask myself: with children who are so young and sensitive, is that best handled by teachers?

The hon. Member for Oxford, West and Abingdon cited the case of Childline. As a director, I have absolute knowledge of the cases that he cited about teenage pregnancies. We should all be worried about teenage pregnancies; they are a serious problem. In 1997–98, Childline took more than 7,000 calls on the subject. It was the fifth most common subject of calls from girls to Childline. We know that children as young as 12 are having sexual relationships, often unplanned and often secret. Pregnancy was the most common reason for calls from 14 and 15-year-old girls, but we have to remember that I am talking about teenage pregnancy, not primary school children's pregnancy.

Again, my worry is that we are tending to bring the age barrier down. It is different from the age of consent, where we are dealing with people who are of an appropriate age to enter into a relationship. Here we are dealing with something with which these young children are not equipped to deal.

Sex education is important, and sex is a complicated matter. Sex is tied up, as it should be, with relationships. It is simply inappropriate for primary school children to be sexually courageous. Such behaviour is not brave, but inappropriate.

Childline's work on the issue has highlighted the importance of teaching young children about relationships. Age-appropriate education should begin in primary school and continue as a child progresses through secondary school. However, there is a firm distinction between what children at primary school should be taught about relationships, and sex education—which should, quite rightly, be taught to children in secondary schools.

Secondary school programmes should be wide ranging, and discuss the problems and loving relationship that one may have in a sexual relationship with someone else. They should discuss the emotional aspects of relationships, and arm children with the means of resisting peer pressure. Secondary school programmes should advise children and young people on how and when to use contraception, and the responsibilities and implications of becoming a parent. However, such education should be for those who have reached the appropriate physical stage—which will, of course, vary from one individual to another. Moreover, Childline's figures on teenage pregnancies deal only with teenagers and not with primary school children.

I believe that the primary school environment is, crucially, about allowing children to emerge from innocence into their teenage years. However, I am also all for ensuring that the questions of lively young minds are answered. Sadly—it is sad only because of the accompanying loss of innocence—the days of telling 12 year-olds about the stork and all those other things are gone; but the change is also good, as effective sex

education will make for a healthier society. Nevertheless, a healthier society is not necessarily one in which our six and seven-year-olds are taught matters that may not yet be appropriate for them.

Children need to develop socially, but providing sex education at pre-school would be to go a step too far. I do not want to turn back the clocks—there never were "better days" in dealing with the issue—but believe that we should think about how our children should be taught in the future.

Children need a loving and caring environment, and parents must play a huge role in properly educating their children—which includes educating them about sex. I should prefer to teach my primary school-aged children about sex myself than to have a schoolteacher do it. However, not all parents will be able to provide that education to their children. In those cases, schools have an important role to play, and I believe that the Government's current system is about right.

The issue is as much about children's innocence as anything else. Although children have a right to sex education at the appropriate time, they also have a right to innocence. We would be surrendering that right all too easily if we supported the Bill, and that is why I oppose it.

Question put, pursuant to Standing Order No. 23 (Motions for leave to bring in Bills and nomination of Select Committees at commencement of public busines):—

The House divided: Ayes 89, Noes 47.

Division No. 161] **[3.53 pm**

AYES

Allan, Richard
Austin, John
Ballard, Jackie
Barron, Kevin
Beith, Rt Hon A J
Benn, Rt Hon Tony
Bennett, Andrew F
Berry, Roger
Best, Harold
Blackman, Liz
Blizzard, Bob
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom
Cable, Dr Vincent
Campbell–Savours, Dale
Casale, Roger
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Tony *(Northampton S)*
Clwyd, Ann
Coleman, Iain
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Davey, Edward *(Kingston)*
Davis, Terry *(B'ham Hodge H)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Fitzpatrick, Jim
Flynn, Paul
Follett, Barbara
Fyfe, Maria
Gardiner, Barry
Gibson, Dr Ian
Godsiff, Roger
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Gunnell, John
Harris, Dr Evan
Hinchliffe, David
Johnson, Alan *(Hull W & Hessle)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Keetch, Paul
King, Ms Oona *(Bethnal Green)*
Laxton, Bob
Lepper, David
Levitt, Tom
Livingstone, Ken
McCafferty, Ms Chris
McDonnell, John
Mactaggart, Fiona
McWalter, Tony
Marsden, Paul *(Shrewsbury)*
Maxton, John
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Mountford, Kali
Mullin, Chris
Organ, Mrs Diana
Palmer, Dr Nick
Pickthall, Colin
Plaskitt, James
Pond, Chris
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Rapson, Syd
Ruane, Chris
Russell, Bob *(Colchester)*
Sawford, Phil
Sedgemore, Brian
Smyth, Rev Martin *(Belfast S)*
Taylor, Matthew *(Truro)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Vis, Dr Rudi
Watts, David
Whitehead, Dr Alan
Williams, Rt Hon Alan *(Swansea W)*
Willis, Phil
Winnick, David
Wise, Audrey
Wood, Mike
Wyatt, Derek

Tellers for the Ayes:
Dr. Howard Stoate and
Dr. Jenny Tonge.

NOES

Amess, David
Bercow, John
Blunt, Crispin
Boswell, Tim
Brazier, Julian
Brooke, Rt Hon Peter
Chapman, Sir Sydney *(Chipping Barnet)*
Clark, Rt Hon Alan *(Kensington)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Collins, Tim
Colvin, Michael
Cran, James
Davies, Geraint *(Croydon C)*
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Dorrell, Rt Hon Stephen
Drew, David
Duncan Smith, Iain
Fearn, Ronnie
Forth, Rt Hon Eric
Fraser, Christopher
Garnier, Edward
Gray, James
Hammond, Philip
Hayes, John
Heald, Oliver
Heath, David *(Somerton & Frome)*
Howarth, Gerald *(Aldershot)*
Jackson, Robert *(Wantage)*
Leigh, Edward
Lidington, David
MacGregor, Rt Hon John
McLoughlin, Patrick
McNulty, Tony
Madel, Sir David
Ottaway, Richard
Randall, John
Robertson, Laurence *(Tewk'b'ry)*
Simpson, Keith *(Mid–Norfolk)*
Swayne, Desmond
Syms, Robert
Walter, Robert
Waterson, Nigel
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Woodward, Shaun
Young, Rt Hon Sir George

Tellers for the Noes:
Mr. Andrew Robathan and
Mr. Peter Luff.

Question accordingly agreed to.

Bill ordered to be brought in by Dr. Evan Harris, Dr. Jenny Tonge, Jackie Ballard, Dr. Lynne Jones, Dr. Peter Brand, Dr. Vincent Cable, Dr. Howard Stoate, Dr. Ian Gibson, Audrey Wise, Mrs. Diana Organ and Mrs. Teresa Gorman.

Sex Education in Schools

Dr. Evan Harris accordingly presented a Bill to introduce an entitlement for all children to receive sex and relationships education in schools from key stage one onwards; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 23 July, and to be printed [Bill 94].

Orders of the Day

Greater London Authority Bill

As amended in the Standing Committee, considered.

Madam Speaker: The House may like to know at this stage that I have selected the amendment in the name of the Leader of the Opposition to be debated on Third Reading.

Clause 2

MEMBERSHIP OF THE AUTHORITY AND THE ASSEMBLY

4.7 pm

The Minister for London and Construction (Mr. Nick Raynsford): I beg to move amendment No. 93, in page 2, line 32, leave out 'or (6)'.

Madam Speaker: With this, it will be convenient to discuss Government amendments Nos. 94 to 98, 108A and 99 to 101.

Mr. Raynsford: Part I of the Bill establishes the new Greater London Authority and the systems by which the mayor and assembly are to be elected. The model of government set out in part I, and throughout the Bill, is a radical one. There will be a new strategic authority—headed by a directly elected mayor and democratically accountable to the people of London—to tackle problems and co-ordinate action on a citywide basis.

The voting systems that we are putting in place will underpin that new model of government. They will help to deliver a strong executive mayor with a clear mandate from the people of London, and an assembly that can hold the mayor to account and is inclusive and representative of London as a whole.

The elections to the authority will be treated as local authority elections for the purposes of the Representation of the People Act 1983, except where the new electoral systems that we are proposing make existing local government provisions impractical or inappropriate for authority elections.

Where changes are needed, I have been keen to adopt a bipartisan approach. I have written to the main Opposition parties on several electoral issues in order to achieve a consensus, as far as possible. I hope that we can maintain this constructive approach as the Bill moves to another place. That is our intention in the amendments, which respond to various issues raised by Opposition Members in Committee.

Amendments Nos. 93 to 101 provide for the date of the first ordinary elections to the authority to be specified in the Bill. Hon. Members who served in Committee will recall that I wrote to them on 15 April, setting out details of the amendments that I proposed to make to clause 3. I trust that hon. Members of all parties are satisfied that the amendments meet the commitments that we made in Committee to reconsider the provisions.

I made it clear in Committee that we were prepared to consider amendments to write the date of the first elections—4 May 2000—into the Bill, with appropriate provision to enable the elections to be delayed in exceptional circumstances, such as disaster or civil emergency. The amendments achieve that. Also, and in the light of the views expressed in Committee, I have concluded that the provisions of clause 3(2), which empower the Secretary of State to designate the years of the second and third elections by order, are unnecessary. Ordinary elections to the authority will therefore follow in a clear four-year cycle from 4 May 2000.

Amendment No. 108A is a technical amendment to clause 18, which provides for the Secretary of State to make payments in respect of the first ordinary elections from the Consolidated Fund. The purpose of the amendment is to clarify that the Secretary of State must, in preparing an account for the sums issued to him from the Consolidated Fund, state in that account what he has done with the sums received. As I have said, this is a technical amendment to ensure that arrangements for payments from the Consolidated Fund are in line with other legislation in that area, and I ask the House to support it.

Mr. Richard Ottaway (Croydon, South): As the amendments are very similar to some tabled by Conservative Members in Committee, we have no trouble with them.

Mr. Simon Hughes (Southwark, North and Bermondsey): I echo entirely the comments of the hon. Member for Croydon, South (Mr. Ottaway). We made those points in Committee and the Government have been accommodating; we are grateful.

Amendment agreed to.

Schedule 2

SECTION 4

Mr. Raynsford: I beg to move amendment No. 136, in page 166, line 29, leave out 'the prescribed percentage' and insert '5 per cent.'.

Madam Speaker: With this, it will be convenient to discuss Government amendments Nos. 137 and 138.

Mr. Raynsford: These amendments put on the face of the Bill a fixed electoral threshold of 5 per cent. for the election of Londonwide assembly members. I recognise that this is a sensitive issue, which was the subject of considerable debate in the Committee proceedings on the Floor of the House in January. Because of that, and in the light of recent events, I will take a few moments to restate precisely why we consider a threshold to be necessary, and why we have decided that it should appear on the face of the Bill and not be subject to order-making provisions as originally proposed.

Mr. John Wilkinson (Ruislip-Northwood): What does the Minister mean by "in the light of recent events"?

Mr. Raynsford: The hon. Gentleman cannot be unaware of the shocking events in London in the past three weeks. I should have thought that all hon. Members would recognise the real concern about people who, for whatever reason, seek to stir up racial hatred or hatred against any section of the community. This is not a matter

that any political party can take lightly. We consider that, in the context of the proportional electoral system that we propose for the assembly, a threshold is a necessary safeguard against the possibility of extremist parties or candidates gaining a toehold in our democratic processes having won only a very small proportion of the vote. Once established, extremists and their views could begin to receive a disproportionate amount of publicity, and the corrosive effect of those views on local communities would in turn begin to have a disproportionate effect.

Of course, no threshold can be an absolute safeguard against parties or candidates who represent extreme views. In the unlikely circumstances of such a candidate winning more than 5 per cent. of the vote, that candidate would win a London member seat. But if we assume a 50 per cent. turnout, that would require a party or individual candidate to win approximately 125,000 votes from across the whole of London.

As members of the Committee pointed out, there are significant drawbacks attached to the setting of such thresholds in that they will not discriminate between the good, the bad and the ugly of minority opinion. Consequently, in seeking to prevent the bad and the ugly, we run the risk of denying a seat to parties or individuals pursuing worthy or worthwhile minority interests, who may also fail to exceed the threshold and who might otherwise have won a seat. We must, therefore, ask whether that is a price worth paying. I believe that it is.

A threshold—for all its imperfections—is a bulwark intended to deny a platform to those who, among other things, peddle race hatred, who spread fear among our citizens and seek to undermine our democratic system. That is why we have decided that this measure must be included in the Bill.

4.15 pm

As my hon. Friend the Minister for Transport in London and I made clear in Committee, we wanted to consider the views expressed by the Committee, and others, before taking a final decision about how this policy should be implemented. Having done so, I wrote to the hon. Members for Croydon, South (Mr. Ottaway) and for Southwark, North and Bermondsey (Mr. Hughes) on 8 March, indicating that I now favoured dispensing with the Secretary of State's discretion to vary by order the level of the threshold, and seeking their views. I am pleased to be able to report that they have responded positively to my proposal.

I believe that, with the threshold specified on the face of the Bill, parties and candidates will know and understand exactly how the fundamental features of the elections that they are contesting will work, and what they will therefore need to achieve to become members of the assembly.

Any threshold is to some extent arbitrary. I know that the hon. Member for Southwark, North and Bermondsey has done some research which shows that levels of thresholds vary from system to system across Europe and beyond. However, 5 per cent. is a clear and readily understood figure, which is well precedented. It was established in the German federal system, which the British Government had some part in setting up after the second world war. In that country, the threshold has provided an effective bulwark against the resurgence of Nazi or fascist tendencies, although it has not prevented the minority views of parties such as the Green party from gaining representation through the democratic process.

The hon. Member for Southwark, North and Bermondsey has raised with me the question of whether the threshold should in future be referred to some independent and impartial body for advice. As the hon. Gentleman knows, we are proposing to establish an electoral commission, one of whose functions will be to keep under review, and advise on, the modernisation of electoral law.

My right hon. Friend the Home Secretary and I agree that the commission could usefully in future years consider what the effect of the threshold has been and the extent to which it has affected the outcome of the elections. The commission will therefore have a role in advising the Government on the threshold.

Mr. Simon Hughes: I am grateful to the Minister for his serious consideration of that matter. The electoral commission will examine the effects historically of the threshold introduced by the Bill, but will it be able to make a recommendation about the appropriateness of continuing with it in elections in London or elsewhere?

Mr. Raynsford: As the commission is not in existence, it would be premature of me to anticipate its powers. However, I have given the hon. Gentleman the undertaking that he sought, which is that we believe that this is a matter that could and should be referred to the electoral commission. We must trust the commission to decide how best to respond. I have no doubt that, if recommendations are considered appropriate, the commission will wish to make them. If the hon. Gentleman wishes to write to me to flesh out his thinking on this matter in more detail, I should be happy to discuss the matter with my right hon. Friend the Home Secretary.

This is a serious and important matter which the House should consider with care. The Government have considered the issues and reflected on the views expressed in Committee. We have discussed our proposals with the principal Opposition parties, and we believe that the proposals that we are making now are right.

Mr. Ottaway: We expressed our concerns about the threshold proposal some months ago, in the Committee deliberations on the Floor of the House. We were worried that minority views—such as those of the Green party—could be shut out. If 4.5 per cent. of London wants an extreme candidate—of the left, the right or the environmental lobby—there is an argument that asks why those people should not be able to vote for such a candidate.

The events of recent weeks have persuaded Conservative Members that the argument lacks merit. I accept that the arrest—and it is no more than that at this stage—over the weekend of a gentleman in connection with the recent nail bombings suggests that they were not the work of an extreme group. I suspect that that was the thinking behind the intervention by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson). Nevertheless, the series of outrages raised again the spectre of extremism in London—it tends to be in London—and we must address that in setting out the political arrangements for elections to the London

[Mr. Ottaway]

authority. While most people talk about this as a matter of groups on the extreme right, most civil disobedience in London in recent years has been from the extreme left. I am thinking in particular of the miners' strike and the poll tax rioters.

With some reservations, we support the amendment, but the Minister must answer two questions. First, he must explain to those who still have doubts why someone's extreme views are abhorrent if he gets 4.5 per cent. of the vote but acceptable at 5.5 per cent. Secondly, can he confirm that a repeat of the Greater London council election result of 1977, when the British National party polled 5.3 per cent., would mean that it would get someone elected to the new assembly? Where it put up candidates in 1994, the BNP polled 18.2 per cent. of the vote, and in 1998, 7 per cent. So it is possible that extreme candidates will be elected to the authority despite the amendment.

That highlights the weakness of proportional representation. If the Government feel that there is a threat, the solution is to rethink in the other place whether it is the right form of electoral system for London. The greatest weakness of proportional representation is the disproportionate power that it gives minority parties and the fact that it allows into office parties whose views most democrats find unacceptable. The answer is to return to first past the post for the London authority.

Mr. Mike Gapes (Ilford, South): I am delighted that the Government have tabled this amendment, which I called for on Second Reading on 14 December. Many of my constituents have been anxious over the past few weeks after the London bombings. I have in my constituency mosques, Hindu temples, gurdwaras and synagogues. I have ethnic minorities from all over the world and thousands of refugees. The people of Ilford are united in resolute opposition to all forms of racism and fascism. They have good reason, because many of them—or their grandparents or parents—came to this country fleeing fascism, racism and xenophobia.

I was therefore surprised by the argument of the hon. Member for Croydon, South (Mr. Ottaway). I thought that he was arguing that 5 per cent. discriminated against the Greens and that it would be good if they were elected even with only 3 or 4 per cent. However, he also seemed to argue against the electoral system that would make that possible. I am no great fan of proportional representation. I am a fan of electoral reform, but we can discuss that another time. Once we have agreed an assembly, we have to make a judgment. Do we wish to allow any party that can get a minimum vote to be represented, or does democracy require vigilance and safeguards against extremist, undemocratic, racist and xenophobic parties? I make no apology for believing that democracy must be defended against its enemies. One defence is a threshold to prevent the parties that peddle race hate, xenophobia and anti-semitic propaganda from getting a platform to start their insidious progress in electoral systems, but there is no guarantee.

The hon. Member for Croydon, South may be right that 10, 15 or 20 years ago, some such parties might have gained a foothold. They were not standing everywhere in London, of course. They might have had concentrated pockets of support in some local authorities but that would have been offset in other areas, including my own borough, where their support would have been extremely low. On an all-London basis, I suggest that a threshold of about 5 per cent. might be appropriate. However, if there were any suggestion that those racist parties—peddling hatred and extremism—which are anti-democratic in their practice and their propaganda would achieve a breakthrough, it would be quite right to have a threshold higher than 5 per cent.

Mr. Ottaway: May I clarify the matter? In the 1977 GLC elections, the National Front put up candidates in every GLC constituency and received 119,000 votes, which was 5.3 per cent. That is very close to the figure of 120,000 given by the Minister. The hon. Member for Ilford, South (Mr. Gapes) seems to be arguing for a threshold that is higher than 5 per cent.

Mr. Gapes: I should be happier with a threshold that was higher than 5 per cent., but I am happy to support that threshold rather than for there to be no threshold at all. We must stand firm against the possibility that the Greater London Authority will provide a platform for racist, fascist, neo-Nazi parties.

Reference was made to electoral systems in other countries. In Israel, where elections are to be held on 17 May, there are 120 Members of the Knesset and 33 parties are standing for election. The largest party in the Knesset has between 25 and 30 Members, and the second-largest party—at present that is the Government party—has 18 Members. Without a suitable threshold, there may be problems of coalition building and building alliances, whereby, for example, some extremist rabbi based in New York may determine which party forms the Government in Israel. We do not want the situation to arise in London where an eccentric, mad or extremist group could hold the balance of power in the authority and demand, from an extreme platform, the support of the other parties to ensure their majority. That would be extremely dangerous, and we need the 5 per cent. threshold to keep such people out.

Mr. Simon Hughes: I stand to be corrected, but I understand that Israel has a threshold of between 2 per cent. and 3 per cent.

Mr. Gapes: That is correct, but extremist parties can still hold the balance of power, so the threshold is obviously too low.

My final point is that, even with a first-past-the-post electoral system, there is no guarantee that extremist parties will not gain support. We know from experience that, from time to time, extremists have tried to infiltrate political parties for their own purposes. That has happened to the Conservatives, to the Labour party and also to the Liberal Democrats. I am not trying to make a party political point here; I am making the general point that it happens in all parties. From the history of the Liberal Democrats, I could give a list of places—Birmingham, Tower Hamlets and elsewhere. I could talk about some of the problems for the Labour party in some parts of the country. I could talk about Brentwood and the current problems of the Conservative party.

We must continue to be vigilant about the democratic structures in all our political parties; we must have real democratic vitality, so that when we put candidates up

for election, they are standing for democratic values. We must not allow extremist anti-democratic elements to gain a foothold in the democratic system. That is why I welcome the amendments and I strongly urge the House to give them overwhelming support.

4.30 pm

Mr. Wilkinson: When it comes to electoral systems, it astonishes me that rational, reasonable people who pride themselves on their liberalism display a degree of authoritarianism that seems quite alien to their normal behaviour. We have seen, even in our own experience, periods in which we have proscribed Sinn Fein and forbidden its representatives' utterances. Now, Sinn Fein has elected representatives in Parliament and the Northern Ireland Assembly contains representatives of minority loyalist groups that were previously thought diabolically evil because they supported those who pursued the defence of the Union by terrorist means. Surely, the experience almost universally has been that it is much better to allow representatives of small parties—even those whose views appear extreme at the time—to have a democratic platform on which to utter those views, for if they are driven out on to the streets and frustrated, they are far more likely to pursue their ends by violence than if they are accommodated within the normal body politic.

The Government amendments betray the deficiencies of the d'Hondt system of proportional representation, as my hon. Friend the Member for Croydon, South (Mr. Ottaway) made clear. If we accept them, we might not only be excluding small parties, some of which are not necessarily extremist at all. Large parties, like large companies, have their origins in small organisations. Parties have to be small at one stage of their political development—the early, initial stage—and it is reasonable for such parties to aspire to have representatives on the new Londonwide assembly. Why should they be forbidden from pursuing that objective to success—the election of a representative, or conceivably more than one—by the imposition of an artificial threshold?

The threshold would affect parties within the mainstream, such as the Greens and many others, and regional parties which want to pursue the interests of individual parts of our capital city. It is likely that certain groups will feel that the grouping together of boroughs into ultra-large constituencies does not give them the opportunity to ensure that their area's particular interests are represented on the assembly. Such groups—say, the Middlesex preservation party, or some other such party—will have to pursue their interests through the list of Londonwide elected assembly men, but they will find themselves frustrated by the provisions of the amendment.

I understand the sentiment behind the drafting of the amendments and I comprehend Her Majesty's Government's feeling that they have a power of ethical judgment that most of us would not and do not presume to possess. We would leave that judgment to the electorate, because we believe in a democratic society. Our electors are fully capable of judging the qualities of those whom they elect to representative office, and who are we to put artificial barriers in their way?

I conclude, as did my hon. Friend the Member for Croydon, South, that the amendment demonstrates, perhaps more clearly than any provision of the Bill, the fundamental flaws of the d'Hondt system of proportional representation. We never had such a problem when our elections took place entirely according to the first-past-the-post principle, but because we are to have an extraordinary combination of first past the post for ultra-large constituencies, which will probably not satisfy the electoral aspirations of all Londoners, and the d'Hondt system for the assembly men, we need the amendment. The amendment is anti-democratic; it will never satisfy everyone; and it will be the source of much criticism in future.

Ms Linda Perham (Ilford, North): I support the Government amendments, because I agree with my hon. Friend the Minister for London and Construction that the price is worth paying. I might also support the imposition of a higher threshold, as suggested by my hon. Friend the Member for Ilford, South (Mr. Gapes).

My hon. Friend mentioned the diverse population in the Ilford area. My constituency of Ilford, North has perhaps the largest Jewish population in western Europe. A few weeks ago, there were celebrations for Israel's independence day and remembrance ceremonies for people killed in the holocaust and in the struggle to establish the state of Israel. Fortunately, the Jewish population was not targeted in the recent bombings. Despite the fact that someone has been arrested for those bombings, as the hon. Member for Croydon, South (Mr. Ottaway) said, that has not stopped a plethora of neo-Nazi groups claiming responsibility for the outrages. We must remain vigilant.

There is also a growing Asian population in my constituency, and Sikhs celebrated the 300th anniversary of the Khalsa at the weekend. Many Bangladeshi, Pakistani and Indian people also live in the Ilford area, all of whom were extremely concerned about the recent outrages.

As I listened to the speech by the hon. Member for Ruislip–Northwood (Mr. Wilkinson), I was reminded of the words of Baroness Thatcher. When Sinn Fein representatives were banned from speaking in this country, she referred to the "oxygen of publicity". I would not like to give the oxygen of publicity to extremist groups for whatever reason, which is why I support the Government's amendment.

Mr. John Bercow (Buckingham): Will the hon. Lady give way?

Ms Perham: I have concluded my speech.

Mr. Simon Hughes: I am grateful to the Minister for the consultation that the Government have afforded us and the Conservative party since the debate on the Floor of the House in January this year. As a consequence of that debate, hon. Members will be aware that we must reach agreement about this matter and proceed cautiously. This is the first legislative proposal for a threshold in British politics and, before we go down that road, we must be absolutely clear that we can justify its establishment—if, indeed, we can do so.

I believe that we must start from the position espoused by the hon. Member for Ruislip-Northwood (Mr. Wilkinson), who said that we normally should not have to impose thresholds in electoral systems. People should be able to

[Mr. Simon Hughes]

stand for election and express their views within the law. If they break the law—by inciting racial hatred, for example—they should be prosecuted and, if convicted, banned from taking part in the electoral process. As I said, on the Floor the House, and in the Standing Committee, my colleagues have adopted that view as our starting point.

The Government have moved from their initial proposition that the Secretary of State of the day should decide the nature of the threshold to stating that threshold in the Bill. That is a definite improvement. If there is to be a threshold, it should be stated in legislation so that people can vote for or against it. That decision should not be left to a Minister who—regardless of his or her best intentions now or in the future—must be subject to political influence. If we are to have a threshold, it should be stated clearly on the face of the Bill so that this House, and the other place in a few weeks' time, can vote for it or against it, or amend it. It should not be left to a Minister to take a decision over which the House can exert no influence.

Mr. Bercow: Would it not be more honest if those who advocated that the threshold should be set deliberately at whatever level is necessary to prevent the election of extremist candidates simply advocated the disqualification of such candidates from standing?

Mr. Hughes: That is one way of approaching the issue. Another way is requiring a large number of people to propose candidature. The Green party has stated that that should be the method of testing whether a proposal or candidate has sufficient electoral support. That is perfectly usual; it is done in other countries, and in this country in some contexts. We need to debate that issue.

I now come to my second point. The Government's proposal for the electoral system for London—it is new for London, and there are similar new systems elsewhere—is that there will be a balance between single-member constituencies and a list. One of the proposal's redeeming features is the fact that it does not eliminate for all elections a person's right to stand and reach the threshold.

The threshold will apply only to the list, not to single-member seats. It allows any party that is registered as a political party, and any individual, to stand on a Londonwide basis, and allows any party to field candidates in every single-member seat, from whatever shade of the political spectrum they come. The law will therefore allow extreme right-wing parties, extreme left-wing parties or any others to take part in the process; they are not proscribed. From our viewpoint, that is a redeeming feature, because it does not carve out a load of people.

I now come to my third point. The Minister was kind enough to say that the concern that my colleagues and I had expressed was that, for the first time—it has not been done in Scotland or Wales; it is only being done in London—we were considering a threshold in the absence of objective advice, other than our own historical data and comparative figures from abroad, as to whether it was necessary or a good idea. That was why I put to the Minister the proposition, which he kindly took on board, that, at the earliest opportunity, the matter should be referred to someone independent of the politicians, who would give advice.

I tell the hon. Member for Ruislip-Northwood, and other Conservative Members who might argue the case that he did, that the Liberal Democrats will support the proposition that a threshold should be specified in the Bill only on the basis that the matter can be referred to the electoral commission as soon as it is set up. Moreover, we do not agree to that proposition for anything other than next year's elections, unless the commission's advice, and the debate that follows its publication, justifies the retention of that threshold. We are nervous about the idea of a threshold; we do not like it, and it certainly should not continue to remain part of British law without independent authority. We must be able to justify the threshold for now, but my colleagues will support it only for now.

Does the hon. Member for Buckingham (Mr. Bercow) want to intervene again?

Mr. Bercow *indicated dissent.*

Mr. Hughes: The Minister was right to mention the fact that my colleagues and I, with our advisers, did some work to discover what precedent there was. The Minister for Transport in London was kind enough to write to me on the subject. Thresholds do exist in electoral systems elsewhere in Europe, and in Israel. The lowest is about 2 per cent.; the highest is 5 per cent.

I counsel those Labour Members who call for a higher threshold against the very anti-democratic view that creating the highest threshold in the democratic world is justified by anything that might cause them concern in their constituency, or that might cause me concern in mine. One does not advance the cause of democracy and participation by suppressing groups of people, even if they may have political views that the hon. Members for Ilford, South (Mr. Gapes) and for Ilford, North (Ms Perham) and I might dislike and always oppose.

Mr. Gapes: The hon. Gentleman implied that I was proposing to suppress people. I am not; such people could still stand for election and campaign within the law. However, I believe that democracy must be defended and that we must be vigilant. I suspect that, if people in Germany were to think about the way in which Hitler came to power in 1933, they might, in retrospect, reconsider those electoral arrangements—although I understand that that was not a proportional system. We must all learn from history. I believe that, in the British context, we would be wise, after adopting a 5 per cent. threshold, to monitor the way in which it works. If it causes us problems, we should return to it, not in the way that the hon. Gentleman suggests, but in the other direction, which is to defend democracy against its enemies.

Mr. Hughes: The hon. Gentleman would be quite entitled to put to the electoral commission his proposition that it should consider a 10 per cent. threshold. However, that would be without precedent anywhere in the world, and he cannot persuade me that other countries do not have the same mix of races, backgrounds, religions and creeds that would—in Europe—have required them to consider the matter. We never imposed 10 per cent. on Germany.

In case the hon. Gentleman raises a small point later, the only place where a 10 per cent. threshold applies is where there is a two-week electoral process, such as in

the French elections, where one vote is held one week and another is held a second week. In France, and only in France, and in Paris and only in Paris, there is a 10 per cent. threshold to enter the second round of the elections, for the second week. Those are the only circumstances in which a 10 per cent. threshold is used.

4.45 pm

We would be extremely unhappy with the proposition that, because a threshold is acceptable once, and because, for exceptional reasons, we might agree that 5 per cent. is right, we must go on looking ever upward. A higher threshold is likely to affect bona fide democratic parties such as the Green party far more seriously than it would affect people who are interested in politics as a means of inciting others against their fellow citizens.

Mr. Wilkinson: The hon. Gentleman is intellectually honest, but is not the perverse and wholly unsatisfactory effect of the provision that, instead of the seat being left vacant because the party did not achieve the threshold, another party would be over-represented? By the provision, we are choosing to secure the election of a representative who would not otherwise, by the number of votes that he scored, have secured election.

Mr. Hughes: The hon. Gentleman makes a valid point.

The last concern that I intended to express, which was the subject of one of our debates, was whether we could have left the threshold to be arrived at from the fact that there would be 11 top-up members of the Greater London assembly, which would require a mathematical threshold to be achieved. The figure is about 3.8 per cent. I did not sign up to that view, nor did Ministers, because that threshold is entirely dependent on the number of members. If there are 25 members, the threshold is 3.8 per cent. With 40 members, the threshold is lower. To determine the threshold purely on the basis of the size of the assembly struck us as arbitrary and much more difficult to defend.

The hon. Member for Ruislip-Northwood is right. If the percentages are altered and the threshold is set at 5 per cent., the division across London is not as clear. My hon. Friends and I are prepared to agree with the other two major parties that, on this occasion—and as far as we are concerned, on this occasion only—there should be a threshold, because, when London's government is reinstated after 14 years, we do not want the first election for it to be detracted from by people who are interested not in the government of London, but in peddling their own partisan and divisive views.

We must not jump to conclusions after the events of the past few days. One person has been arrested, who may have nothing to do with extreme right-wing views. The measures proposed can be justified only by the sweep of history, not by recent events. From time to time in London, more frequently than elsewhere, the electoral system has been used by people who were clearly divisive, racist and extremist. For the first election, we must protect the process from being hijacked by that agenda.

I hope that such a measure will not be necessary in future, but I am happy to take the advice of the electoral commission before we as a Parliament and, I hope, as individual Members of Parliament, make the decision. This should in any event be a matter for the individual votes of individual Members, not a whipped vote. If the proposal goes to the vote, I hope that the Whips will not be employed.

Mr. Jim Fitzpatrick (Poplar and Canning Town): I add my support to the Government's decision to introduce the threshold into the forthcoming elections. I accept that it was a difficult decision. Cogent arguments have been articulated in Committee, outside this place and in the Chamber today about the validity of various tactics and methods for dealing with extremist views and defeating them.

I agree entirely with the hon. Member for Croydon, South (Mr. Ottaway) that no threshold is likely to eliminate or deter extremist views or, indeed, can guarantee exclusion of extremist candidates, as we have seen from recent electoral history in London, when such candidates got a higher vote than the threshold that is being laid down. However, after witnessing at first hand the victory of the British National party on the Isle of Dogs in my constituency and having seen the climate created there—which lead to intimidation, fear, alienation and hostility in Tower Hamlets and throughout the east end—I am strongly persuaded that everything possible should be done to prevent any repetition.

The hon. Member for Ruislip-Northwood (Mr. Wilkinson) asked, "Who are we to make such an arbitrary artificial decision?" With the greatest respect, we are the elected political leadership and we are obliged to give our society a political lead. Some people may perceive the provision as a gesture; it is an important signal that there should be no place in our society for those whose ideology is to discriminate against a minority or minority groups. We are a pluralistic society now, and the House has a responsibility to demonstrate that by saying that we are introducing the threshold to prevent those extremist views from taking hold.

This has been a difficult decision for the Government. Following discussions in Committee, which have been repeated here today, and outside this place, strong views both for and against have been expressed. As one who supports the first-past-the-post system, I take the view—I agree with the hon. Member for Southwark, North and Bermondsey (Mr. Hughes)—that we need to ensure that this new electoral system and structure for London send a signal to the London public that we are creating a new democracy and a new government for London and that this is our society, which will be inclusive for all its elements.

Sir Sydney Chapman (Chipping Barnet): I shall make two brief points. First, while I do not agree with the electoral system proposed for elections to the Greater London assembly, given the system that has been proposed, I utterly support the Minister in making the threshold 5 per cent. I note that, while paragraph 7(3) of schedule 2 proposes that the Secretary of State should have a prescriptive power to decide the percentage, paragraph 7(4) states that it should not be greater than 5 per cent. Therefore, the Minister is announcing a threshold at the upper end of what was presumably envisaged by the Government. I accept that.

Secondly, I think that the Minister said that, if there were a 50 per cent. turnout—I very much hope that there will be, although I will be agreeably surprised if there is—

[Sir Sydney Chapman]

the 5 per cent. threshold would require a party to have of the order of 125,000 or 150,000 votes. Frankly, and this is where I may disagree with one or two Labour Members, no matter how obnoxious the policies of a party, if it gets 100,000 votes in the election on 4 May next year, it can reasonably claim to have a stake in the assembly. I do not want to rehearse or overstress this point, but we may find that we get more trouble if people are barred from being members of an assembly, or Members of Parliament, by structures that are deliberately devised to keep them out. If a fair threshold is set and they get in, so be it.

I would point out to the hon. Member for Poplar and Canning Town (Mr. Fitzpatrick)—I may not agree with his views, but I deeply respect them—that a member of the BNP may have got in in a London borough or local authority election, but we are not seriously considering changing the electoral and the ward system on that account for our borough elections. We have to be robust about the obnoxious nature of some parties, but, if they get beyond a reasonable threshold, they are perfectly entitled to representation, in this case in the Greater London assembly.

Mr. Ken Livingstone (Brent, East): We should look at the narrow point at issue in terms of numbers of votes cast. We are introducing a threshold which means that a fascist party will have to get 5 per cent. of the votes to qualify for a seat. We know from the 1977 GLC election, when the British National party contested all seats across London and got 5.3 per cent. of the vote, that that is an achievable objective for a fascist party in this country. If we did not impose a threshold, a party would still need to win 4 per cent. of the vote to get a seat. Given 25 seats, it would need to get 4 per cent., unless a vast number of minor parties got 2 or 3 per cent. each. So we are drawing a small margin of difference.

Across Europe, it is not unusual now for fascist parties to get 15 per cent. of the vote. There have been breakthroughs in France and Austria. To guarantee to keep the fascists out for all time, we would most probably have to set the threshold at 15 per cent. or more and that would also eliminate the Liberal Democrats in many areas. When I first entered local government in London, the Liberals did not get 5 per cent. in the borough council elections Londonwide. So we are working ourselves up over the wrong issue.

It worries me that people could use candidacy as a platform to propagate their racist views. We should consider what to do to prevent that. My fear is about what may have motivated the young man who has been arrested for the bombings. He was not linked into an organised fascist party, but the contagion of fascist views had reached him. What worries me most is not the threshold—whether the 4 per cent. without a bar or the 5 per cent. bar that we are introducing—but the fact that the new election for mayor could give a fascist candidate access to broadcasts and a big distribution of literature which, while with clever lawyers working on it may narrowly stay within the race relations law, would pander to racism, homophobia and bigotry and help to stir up the sort of passions that have led to deaths on the streets of London in the past few days.

Mr. Raynsford: We have had a full, extensive and good debate on a difficult and extremely important issue. Hon. Members have covered a wide range of points, to which I shall respond briefly.

The hon. Member for Croydon, South (Mr. Ottaway), who spoke for the official Opposition, asked why a party that got 4.5 per cent. should not be elected when one that got 5.5 per cent. would be. In my opening remarks, I made the point that any threshold is, by its nature, arbitrary, but there are precedents. We had much to do with the imposition of a 5 per cent. threshold in the constitution established in Germany after the war to provide a bulwark against a resurgence of national socialism. That has been seen to work effectively without precluding opportunities for smaller parties such as the Greens to be elected. So there are good reasons for the threshold. While I accept that it is arbitrary, it is right that we should have safeguards against parties that set out to destroy and damage the electoral process and, above all, to stir up hatred against different sections of the community.

The hon. Member for Croydon, South said that, in certain circumstances, the extreme right wing could be elected. I accept that, on the 1977 GLC election results, it would have secured a place on a 5.3 per cent. overall vote. It is not our objective to prevent a party from being elected. In setting a threshold, we seek to send a clear message that a party has to establish a substantial body of support among the electorate before it will secure a place in the electoral system. In general, the extreme racist right in this country has not achieved that substantial proportion. The figures that the hon. Gentleman quoted for 1994 and 1998 were, he will accept, from relatively small areas rather than pan-London figures.

5 pm

The hon. Gentleman argued that the fundamental problem was the system of proportional representation, and that the amendment was necessary only because we were proposing such a system. In fact, the only recent example of an extreme right-winger and racist being elected was in Millwall, in the constituency of my hon. Friend the Member for Poplar and Canning Town (Mr. Fitzpatrick). He was elected in a 1993 by-election under the first-past-the-post system. Extreme right-wingers can be elected even under a first-past-the-post system in certain circumstances.

My hon. Friend the Member for Ilford, South (Mr. Gapes) rightly stressed that democracy must be defended against its enemies. He pointed out that previous experience showed that support for the National Front and the British National party tends to be localised, and that, in the present circumstances, such a party would be unlikely to secure a 5 per cent. vote across London as a whole.

The hon. Member for Ruislip-Northwood (Mr. Wilkinson) spoke of the risk of excluding reputable smaller parties. I have already partly answered that question by saying that the 5 per cent. threshold in the German constitution has not prevented the Greens from securing election. Conversely—this is not the fault of the d'Hondt system, which I know the hon. Gentleman does not like—in the 1990 European elections, the Greens in this country did very well in terms of the proportion of the vote, securing something approaching 15 per cent., but did not manage to get a single member elected.

The first-past-the-post system can and does exclude small parties that have a legitimate place in the democratic system. All that adds to the complexity of the issue.

My hon. Friend the Member for Ilford, North (Ms Perham) mentioned the concerns of communities—in her case, the Jewish population in her constituency, but also the Sikhs and the Bangladeshis—which have been understandably alarmed by the threats made in recent weeks by hard-line extremist parties claiming responsibility for bomb attacks, although they turned out not to be responsible. We should bear in mind that bodies such as Combat 18 have been only too pleased to use the circumstances of the past three weeks to promote their own deplorable attitudes.

The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said that the issue should be considered very carefully, because this was the first occasion on which we had proposed a threshold. I remind him, and the House, that we are doing so because no electoral system has previously been proposed making it possible for a party to secure election on the basis of a relatively small proportion of the vote. In both the Scottish and the Welsh frameworks, which involve the additional member system and a list top-up, the percentage necessary to secure membership through the list is very much higher than that which will apply in Greater London. The hon. Gentleman himself made the point that London has had rather more of its fair share of experience of the activities of the extreme racist parties. That is why we are proposing a threshold.

The hon. Gentleman will know that we have thought carefully about this. We have not jumped rapidly to conclusions. We initially proposed that the Secretary of State should be given power to set a threshold but, on reflection, we concluded that it was right to put a threshold in the Bill. I am grateful for the hon. Gentleman's support, and that of the hon. Member for Chipping Barnet (Sir S. Chapman), for our decision. I also confirm our decision, in response to a request from the hon. Member for Southwark, North and Bermondsey, to refer the matter to the electoral commission so that there will be an independent review of the process.

Let me say to both the hon. Member for Southwark, North and Bermondsey and my hon. Friend the Member for Brent, East (Mr. Livingstone) that, in practice, the mathematical threshold is 3.85 per cent.: a party that secures that percentage of the vote is guaranteed a member through the top-up list. In certain circumstances, however—I admit that they are not necessarily normal circumstances—it would be possible for a party to be elected with significantly less than that percentage. Figures that were prepared for us while we were considering the matter demonstrated that a party could secure a member through the top-up list system with a vote of less than 3 per cent. That is where the real worries come into play. That is why it is appropriate that there should be a threshold. In practice, it will not be only marginally higher than the natural threshold, as was implied by my hon. Friend the Member for Brent, East. Five per cent. is a substantially higher hurdle to get over than, say, 2.5 per cent., which could, in certain circumstances, be the mathematical threshold.

My hon. Friend the Member for Poplar and Canning Town rightly referred to the fears and anxieties that were felt by the Bengali community in Blackwall after the British National party secured the election of a candidate in a 1993 by-election. I visited Blackwall frequently during those months and played a small part in organising the campaign to ensure that that particular pedlar of race hatred was evicted in the subsequent 1994 council election.

I am delighted that the democratic process triumphed and that the BNP was rejected in 1994. I pay tribute to all the decent people in the Blackwall community who came together in adversity to ensure that democracy and decent values prevailed against the BNP and the pedlars of hatred, but I have not forgotten the fears and anxieties that I experienced at the time. I have not forgotten the sight of thugs—one can describe them by no other word—marching in a bully-boy way through the streets of a community that is largely populated by Bengalis, deliberately stirring up hatred and fear.

We cannot allow such spectacles in our society. We have a duty and responsibility to take action to prevent our democracy from being subverted by people who have no commitment to it at all and who use the opportunity of a democratic election to undermine all the democratic values, values of decency and good relations between races that are fundamental to our society.

My hon. Friend the Member for Poplar and Canning Town referred to the new democratic system that we are putting in place and emphasised how important it is that it is inclusive. I cannot do anything other than concur entirely with his views.

I have already referred to the support of the hon. Member for Chipping Barnet for our decision to put a threshold in the Bill; I am grateful for his support. He made the point that a party that can secure 125,000 votes deserves a voice. That is the effect of what we are proposing. A party that secures about 125,000 votes will secure a voice; below that, it will not.

As I have said, it is, to some extent, an arbitrary figure, but there are good precedents for the 5 per cent. It seems to us to be a reasonable level. It will establish that a party that cannot secure that level of support among the electorate as a whole does not get the opportunity to voice its views, obnoxious as they may be, through the Greater London assembly.

My hon. Friend the Member for Brent, East referred to the natural threshold. I have explained that it is 3.85 per cent., but can be lower. That is the justification for a 5 per cent. threshold. My hon. Friend referred to the fact that, in Europe, the extreme right has secured much higher percentage figures in polls. I agree. That is one of the great lessons that we have to learn. It is not a cause for complacency, but, in the past 50 years, we in this country have been fortunate in ensuring that the views of extreme right-wing and racist parties have not built the sort of bridgehead that has been possible in other countries, including France.

We must remain constantly vigilant against the threat, which can do enormous damage to good community relations and democracy. I believe that the threshold that we are putting in place will contribute to the process.

I remind hon. Members that it was this country that contributed to the establishment of the threshold in Germany in the post-war era. In many respects, that has proved successful as a bulwark against the resurgence of extremist, racist views in Germany, which has seen more of that than any other country in Europe this century. Therefore, we must be serious and careful. What the

[Mr. Raynsford]

Government are proposing is appropriate. It is a step taken, not lightly but with considerable care and after consultation. I hope that the House will endorse the amendment.

Amendment agreed to.

Amendment made: No. 137, in page 166, leave out lines 35 to 37.—*[Mr. Dowd.]*

Schedule 3

AMENDMENTS OF THE REPRESENTATION OF THE PEOPLE ACTS.

Mr. Raynsford: I beg to move amendment No. 102, in page 174, line 38, at end insert—

'Broadcasting during elections

21A.—(1) Section 93 shall be amended as follows.

(2) In subsection (1), after "local government election" there shall be inserted ", other than an Authority election,".'.

Hon. Members who served on the Standing Committee will recall that I wrote to them on 4 March, setting out my intention to disapply section 93 of the Representation of the People Act 1983 for the purposes of the GLA elections. As I said in an earlier debate, elections to the authority will be treated as local authority elections for the purposes of the RPA, except when our proposed new electoral systems make current local government provisions impractical or inappropriate.

When changes are needed—as, for example, in broadcasting regulation at elections—I have been keen, as on other issues, to adopt a bipartisan approach. I have written to the main Opposition parties on a number of electoral issues, so that we might achieve—so far as possible—a consensus.

Hon. Members will recall that section 93 stipulates that an item cannot be broadcast during an election campaign without the consent of all the candidates in a particular constituency. As I said in my letter to Committee members, it would be completely impractical—given the arrangements for election, across the whole of London, of assembly members on the top-up list—to apply those provisions, as only one candidate would have to refuse consent for there to be no possibility of a broadcast. Such a situation would be nonsensical.

An approach similar to the one that we are proposing was adopted, after consultation with the parties, for elections to the Scottish Parliament and the Welsh Assembly. Equally, section 93 will not apply to elections to the European Parliament.

Amendment No. 102 is essential to ensure that workable arrangements can be put in place for coverage of the elections. Broadcasting organisations will still be bound by the requirements of impartiality, accuracy and balance that are placed on them by statute and by the broadcasting regulatory bodies. It is a practical and sensible amendment, which I hope the House will accept.

Mr. Ottaway: The Opposition have no trouble with accepting Amendment No. 102, which makes the same provision as that included in the legislation establishing the Scottish Parliament and the Welsh Assembly. However, what needs amendment is the Representation of the People Act 1983—not each individual Bill as it comes along.

Amendment agreed to.

Clause 18

COST OF HOLDING THE FIRST ORDINARY ELECTIONS.

Amendment made: No. 108A, in page 10, line 25, leave out from 'prepare' to 'required' in line 27 and insert

'an account of any sums which are issued to him out of the Consolidated Fund by virtue of this section and of his use of those sums.

(6) The account'.—*[Mr. Dowd.]*

Clause 19

QUALIFICATION TO BE THE MAYOR OR AN ASSEMBLY MEMBER.

Mr. Eric Forth (Bromley and Chislehurst): I beg to move amendment No. 105A, in page 10, leave out lines 39 to 41 and insert

'a citizen of the United Kingdom'.

Mr. Deputy Speaker (Mr. Michael J. Martin): With this, it will be convenient to discuss the following amendments: No. 106A, in page 11, line 7, leave out 'his principal' and insert

'the place of work at which he spends the majority of his working time'.

No. 107A, in page 11, line 22, leave out from beginning to end of line 28.

Mr. Forth: I confess that, when I first saw the Bill, my eye was drawn to the provisions of clause 19. We heard over and over again—on Second Reading and in Committee—how the assembly was all about Londoners, and about how its establishment would be a great moment for Londoners. The Bill was about an assembly for London and for Londoners, and there would be an authentic London mayor.

I was therefore puzzled when I saw that the Bill provides that a person will be qualified to be elected mayor if he or she is

"(a) a Commonwealth citizen;

(b) a citizen of the Republic of Ireland; or

(c) a relevant citizen of the Union."

Such a provision would be bad enough, but the Bill goes on to say that that same person must satisfy at least one of a group of other conditions, of which one is that

"his principal or only place of work during that twelve months has been in Greater London".

I was therefore forced to the conclusion that it would be perfectly possible to have someone from Finland or New Zealand, for example—I have picked the two countries more or less at random, although one is at the other end of the globe, whereas the other is somewhere up near the arctic circle—as mayor. The Finn might not speak English, although the New Zealander would happily do so. The only other qualification that those undoubtedly excellent people would have to have is that their principal, not only, place of work for 12 months has been in Greater London. A person who does not speak English or who

comes from the other side of the world and whose sole qualification is that their principal place of work—an undefined term that could cover almost anything—is in London could offer themselves for election to a uniquely London body that provides an exciting new opportunity for London representation. That is political correctness carried to the most bizarre extent.

5.15 pm

Mr. Dale Campbell-Savours (Workington): But they would not be elected.

Mr. Forth: I am shocked that a Member of Parliament should feel himself able to predict the results of elections.

Mr. Gapes *rose—*

Mr. Forth: I do not want to prolong the debate, but I shall give way in a moment.

We are talking about a serious matter: the qualifications set out in legislation for those who want to be authentic representatives of London.

Mr. Gapes: In 1978 I was on telling duty at a polling station in Thamesfield ward in Putney. One of the Conservative candidates subsequently became a Member of Parliament for a Croydon seat and has now moved on to newer pastures. A Conservative-supporting voter came up to me and said, "Who are those candidates for the Conservative party? Oh, one is a woman and one is a New Zealander. I'm not voting for him." Perhaps my hon. Friend the Member for Workington (Mr. Campbell-Savours) might be right.

Mr. Forth: Or perhaps that story endorses my view—who knows? Rather than concentrating on the citizenship of an individual, I want to tighten the undefined criterion of the principal place of work over the previous 12 months, because it does not establish adequate credentials or connection with London to qualify someone properly to stand for election to the new, exciting and uniquely London body. I could have gone further and suggested that all candidates should be Londoners, or maybe even that they should have been born within the sound of Bow bells—a claim that, alas, I cannot make.

If we are not careful, people with only the most tenuous link with London will be able to clutter up the voting paper. Given the complexity of the voting arrangements that are to be foisted on the people of London, clarity is essential, particularly during the early stages of the new process. There is a risk that the voters, struggling with all the novel forms of election, might be confused or misled if we allow such generous, unrestricted, loose and ill-defined qualifications. That is why my amendments would do a great service to the people of London.

Mr. Simon Hughes: There are only two flaws in the argument of the right hon. Member for Bromley and Chislehurst (Mr. Forth), apart from the point made by the hon. Member for Workington (Mr. Campbell-Savours)—that someone who fitted the characteristics described would probably not survive the electoral battle. First, the rules for election to this place are based on the same criteria and have been used by certain Canadians and New Zealanders, who have become Tory Members. Secondly, if we define the electorate, it is reasonable that they should be drawn from the same constituency as those who seek to be elected. There may be arguments about who the electorate should be, but that is not a debate for London, but a debate for electoral reform. The right hon. Gentleman might have an uphill struggle if he suggests that Commonwealth or European Union citizens—let alone Irish citizens—should be suddenly disfranchised after having lived here for years.

Mr. Raynsford: The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) made a couple of good points, and I shall make a couple more.

I am disappointed that the right hon. Member for Bromley and Chislehurst (Mr. Forth) has seen fit to table the amendments, for the reasons that I shall explain. In seeking to narrow the categories of person who may stand for mayor or for the Assembly, amendments Nos. 105A and 107A could well send exactly the opposite message to the one that we have rightly encouraged—that London's multicultural diversity should be celebrated, rather than denigrated.

In Committee, I made it clear that the provisions of the Bill in respect of qualification to stand are based on the provisions of part V of the Local Government Act 1972 governing qualification to stand at local authority elections. It would be quite wrong to adopt different criteria for people standing for the Greater London Authority from those that apply for people standing for election in the London boroughs.

I find it even more extraordinary that the right hon. Member for Bromley and Chislehurst should make the proposals given that the conferment on EU nationals of the right to vote and stand in local elections was inserted in the 1972 Act by regulations made in 1995 by the Government in which he was then serving as a Minister. I accept that the Conservative party is now apologising for what it did in government, and is moving on. However, it is a bit rich for the right hon. Gentleman to wish to reverse so soon afterwards decisions that he was very much a party to in the last Parliament.

On amendment No. 106A, clause 19(4)(c) provides that a person is qualified to stand for mayor or for the assembly if he or she satisfies the condition that his or her principal or only place of work during the preceding 12 months has been in Greater London. The amendment would replace the reference to principal place of work with

"the place of work at which he spends the majority of his working time."

I cannot accept the amendment.

The terminology in the current provision is based on the provisions of the 1972 Act. "Principal" in this context means main or chief place of work. Where there is doubt, it will be ultimately for the courts to establish as a question of fact what constitutes a person's principal place of work. The right hon. Gentleman's formulation would, by contrast, be less flexible and difficult to interpret.

If someone divided their time equally between a couple of part-time jobs and a voluntary position for a charity or community organisation, but was paid significantly more for one job than for the others—to the extent that that was clearly the most important or principal job that that person did—that person could be disqualified, under the right hon. Gentleman's proposal, simply on the basis that he did not spent 50 per cent. or more of his time on that job.

[Mr. Raynsford]

Therefore, there are practical problems with the proposal, as well as the obvious problem of precedent; the amendments would be a breach of current practice in local government provisions. It is important that the language of electoral law is consistent in such areas and, in the circumstances, I ask the right hon. Gentleman to withdraw his amendment.

Mr. Forth: It always amuses me to hear Ministers and Labour Members say that because something has lasted for a long time and is well established, it cannot possibly be challenged. To me, that represents the ultimate acceptance of the credo of conservatism that is now rampant within the Government. Part of me welcomes that and finds it warming. However, we young, thrusting radicals in the Opposition do not necessarily accept that as a sufficient reason or rationale.

Suffice it to say, I have made my point and put down a marker. As the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said, I do not necessarily accept that what is is necessarily acceptable, and I would like to revisit some of the matters. I wanted to use this as an opportunity to put down a marker and to demonstrate that the claim of the unique London aspect of the Bill cannot be made in light of the measure.

However, in view of what the Minister has so graciously said, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 23

DECLARATION OF ACCEPTANCE OF OFFICE

Amendment made: No. 99, in page 13, line 28, leave out & 3(1)' and insert & 3(5)'.—*[Mr. Raynsford.]*

New Clause 1

NOMINATION OF CANDIDATE FOR MAYOR

'.—A mayoral candidate of any registered political party cannot be returned as mayor unless, no later than the time of his nomination as candidate, the registered leader of that party has delivered to the Greater London Returning Officer, and has made publicly available—

(a) a sworn declaration describing fully that party's procedures for the selection of its candidate as mayor, and

(b) a certificate declaring that all persons participating in the selection process derived their authority solely from elective processes in which all the members of that party in Greater London, or in any part of it, were entitled to participate at all stages.'.—*[Mr. Ottaway.]*

Brought up, and read the First time.

Mr. Ottaway: I beg to move, That the clause be read a Second time.

We now move from a young, thrusting, radical amendment to a young, thrusting, radical new clause. It is designed to give respectability and credibility to the method of selecting mayoral candidates and would provide that all those involved in the selection process, of whatever political party, are there to represent their party's members and are not imposed from the centre.

The Government office for London commissioned a report by Professor Dunleavy and Dr. Helen Margetts, entitled "Electing the London Mayor and the London Assembly". I want to read into the record one paragraph. It says:

"It will be particularly important for the success of the London Mayor how the political parties go about making their candidate selection. If all the established parties follow OMOV procedures in picking candidates the eventual general election will seem much more legitimate to most people and the chance of there being dissident candidates from established parties will be reduced. If parties' internal procedures seem less legitimate then the election may not command such high levels of public support: dissident candidates will be more likely to stand against the official party nominees and more independent candidates could also stand, so the number of viable candidates would tend to grow. Given the importance of candidate selection procedures inside the parties for the direct election to an executive position, there is a case for the Government to require parties to follow OMOV procedures internally, which might require the registration of parties intending to offer Mayoral candidates also."

The new clause is designed to accept that recommendation and enshrine it in the law.

Mr. Campbell-Savours: Would the hon. Gentleman want that principle to be extended to his constituency, so that it was required in law that the people of Croydon, South should follow similar procedures?

Mr. Ottaway: Frankly, I am pretty relaxed about it, because that is what happens now.

Mr. Campbell-Savours: What about the selection process?

Mr. Ottaway: I could not agree with the recommendation more, because it is essential that the public believe in the system. As for our selection process, we have a first round, a second round and a final round, and everyone involved in the process is a party member, elected by other members as a representative. That is the only way in which one can get on to the committees.

Mr. Campbell-Savours: Yes, but should that be enshrined in the law?

Mr. Ottaway: As I said, I am perfectly relaxed about that, because what I have described is what happens, except in the Labour party. The only way in which the recommendation can be enshrined in the law is for the House to accept the new clause. I know that the hon. Gentleman is a great democrat and I am sure that he would not want a central diktat over the method of candidate selection for his party.

Mr. Simon Hughes: Will the hon. Gentleman give way on that point?

Mr. Ottaway: I hope that the hon. Gentleman will forgive me, but time is too short, because of the guillotine.

The Labour party is similar to us, and its document, "Modernising Labour Groups and Local Government: a consultation paper on the Labour Party contribution to implementing Modern Local Government", says:

"Is the choice of candidates for mayors purely a local decision? Conference has indicated its support for the principle of OMOV for the selection of mayors. This is included in the proposals for the

election procedure for the Party's Mayor of London candidate. The party will need to set out procedures for shortlisting and selection criteria."

So far, so good, and I am sure that the hon. Member for Workington (Mr. Campbell-Savours) could not disagree with that; but then we come to another document, "Greater London Authority Elections 2000", subtitled "London Assembly Selection Process". Incidentally, I am grateful to whomever in the Labour party is leaking this stuff to me. I do not suspect the hon. Member for Brent, East (Mr. Livingstone) on this occasion, but it might have been one of his friends or supporters.

5.30 pm

Mr. Livingstone: It is unusual for us to get any Labour party documents.

Mr. Ottaway: In the case of this document, I am not surprised, because it states:

"The London Regional Board shall establish a selections board to compile a panel of interested candidates. The selections board shall consist of 4 members of the regional board from their own members"—

So far, so good. However, it continues:

"4 members of the NEC"—

and that is not so good, because—

Mr. Campbell-Savours: They are elected.

Mr. Ottaway: They may be elected, but they are not elected by London members. They are elected by United Kingdom members. In our judgment and as recommended by the report to the Government office for London, those involved in the selection process should be exclusively from London. I do not suppose that the hon. Member for Workington would suggest that he should be involved in the selection of candidates in Scotland. The third group on the selection board are to be

"4 members who are prominent and senior Labour Party members in London, who will bring experience and expertise to the panel."

There will also be four non-voting members on the panel. The document continues:

"The independent members and advisers shall be appointed jointly by the Regional Board and the NEC."

That shows that the NEC will have a veto over who is selected, and that is the rub—and the difference between the Labour party and the Conservative party. In my party, everybody who takes part in the selection process does so as the result of a fair and democratic process.

The Labour party's selectors will be imposed by diktat from Millbank and the method of selection is designed to stop the hon. Member for Brent, East becoming the Labour mayoral candidate. The Labour party's proposals abuse the democratic process, damage the reputation of those of us who believe in democracy and damage the Labour party itself. Dr. Margetts and Professor Dunleavy are not out of step or freaks. They have articulated widespread concerns about the method of selection of candidates and it would be in the interests of the Labour party to take heed of what they have said.

Mr. Simon Hughes: New clause 1 is a good proposition. The case for it was made in Committee by us and has not been answered since. For the record, our system entirely accords with the proposal in new clause 1. The power to choose shortlist candidates and to put the candidates before the London membership, who will vote with one member, one vote, was delegated to the London region of the party. It alone, with no veto from the central party, has gone through the procedure and set up the rules. It has appointed the selection panel and undertaken the approval and interviewing, and it will produce the short-list on which the membership in London will vote.

The Labour party has been embarrassed, is embarrassed and will be embarrassed—

Mr. Campbell-Savours: You wish.

Mr. Hughes: I do wish, and I am glad, because the Labour party should not go down that road. The great new Labour party belief in devolution is a fig leaf because in fact a few people in the Cabinet and on the national executive are pulling the strings. We all know about that. The Chancellor of the Exchequer has gone to Wales today because the Welsh election campaign cannot be allowed to run itself and the London election process can be vetoed by the national executive. If the Labour party were a modern democracy, it would support new clause 1. I look forward to its conversion, but I do not believe that it will happen soon.

Mr. Gapes: We had a long discussion on this issue in Committee on 28 January. What was interesting then, and still appears to be the case, is that the Conservatives and the Liberal Democrats appear to wish to introduce a system of state control of political parties. If they had been in Czechoslovakia, or the Soviet Union or Nazi Germany, they would doubtless have denounced actions taken by the state to determine how political parties determined their own internal processes for the selection of candidates. However, for opportunist reasons, they think that they can make some cheap political points by seizing on this issue, as we have just heard. They think that that looks good before the elections in Scotland and Wales, and that they can use the issue for their own purposes in the future.

The opportunism and rank hypocrisy of the Conservatives and the Liberal Democrats are something to behold. It is outrageous to consider the state control of the way in which political parties choose candidates. If electors do not like the candidates put up by a political party, they will vote for other candidates from other parties; if they like that party's candidates, they will elect them. In a democracy, it is surely not for Parliament or the state to tell political parties how to determine their internal selection processes. For that reason, the new clause should be thrown out.

Mr. Wilkinson: I do not want my hon. Friend the Member for Croydon, South (Mr. Ottaway) to feel isolated in any way. I am sure that the new clause meets the wishes of members of the Conservative party, and that it conforms to the natural, democratic instincts of people throughout London.

Labour Members regularly make a song and dance about transparency and openness. Now they have a chance to show that their rhetoric is matched by their behaviour in practice. If they are to live up to their speeches about transparency and accountability to the electorate, they should incorporate new clause 1 into the Bill.

[Mr. Wilkinson]

The public are all too cynical about politics in this country. The first election for the London mayor and for the Greater London Authority as a whole represents an opportunity to ensure that the mayor—the figurehead to whom the whole of London will look up—will be elected by wholly democratic means. The processes behind that democratic election should be in the public domain, and those responsible for them must submit a sworn declaration—a testimony—verifying that they are bona fide and in accordance with the democratic principles in which the Conservative party believes.

My final point was alluded to indirectly by my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth). People in London will want the mayor to be the people's choice in London. It is essential that London members of a political party will have the deciding influence over who is chosen as candidate. That requirement is made clear in the new clause, but it is manifestly not part of the Labour party's intentions for this election.

I am glad that my hon. Friend the Member for Croydon, South has made the matter clear, and I am sure that the electorate will not forget it if the Government are remiss enough not to accept new clause 1.

Mr. John McDonnell (Hayes and Harlington): The important issue raised in the Dunleavy and Margetts report is that abuse of power by a political party may, in due course, reflect on and discredit the office of mayor of London. My hon. Friend the Member for Workington (Mr. Campbell-Savours) asked whether that issue required legislation, but legislation is used to correct an abuse, and so far the debate has shown that no abuse of party systems has taken place. The Labour party, like the Conservative and the Liberal Democrat parties, has a shortlisting system that will be voted on by its individual members.

I urge any hon. Member to come forward if he or she can find a statement from my right hon. Friend the Prime Minister, the leader of the Labour party, or from the chair of the board of the London Labour party, my hon. Friend the Member for Poplar and Canning Town (Mr. Fitzpatrick), that would prevent any candidate from standing, or influence the vote. There has been no statement by the Prime Minister to prevent my hon. Friend the Member for Brent, East (Mr. Livingstone) from putting his name forward or being selected.

Mr. Bercow: The hon. Gentleman says that no statement has been made to exclude the hon. Member for Brent, East (Mr. Livingstone) or any other candidate. Would it not be more accurate to say that no on-the-record statement of that sort has been made by any representative of the Government? Have not the Government been briefing against the hon. Member for Brent, East for as long as any of us can remember? Why do they not have the guts to put it on the record?

Mr. McDonnell: Unfortunately, I am not a party to off-the-record briefings. There is no statement directly attributable to the Prime Minister, the chair of the London board or any member of the national executive committee to prevent my hon. Friend the Member for Brent, East from standing.

Mr. Livingstone: There is a statement on the record. I discovered it when I opened my copy of "Turn Again Livingstone", the new biography by John Carvel, price £6.99. He recounts a formal meeting with a Downing street senior official who works directly with the Prime Minister. Points about me were put and the reply was:

> "Tony likes Ken. They can have an amiable chat. He feels it is a terrible waste that his abilities have not been put to work. He is rather depressed about it."

I find all that very encouraging.

Mr. McDonnell: That proves that the Prime Minister is, if anything, trying to intercede on behalf of my hon. Friend the Member for Brent, East.

Do we need legislation at this stage to correct an abuse? As there has been no abuse of the system, and as the parties seem to be entering into the democratic spirit—exemplified, to some extent, by the new clause—in the selection of their candidates, I do not feel that legislation is required. However, if at some stage there are abuses of party political selection procedures, we may need to return to the matter. I put it on record that if there is interference in selections, we may need to return to this and I may promote a private Member's Bill.

All parties have a right of redress in respect of abuse from above in their selection systems. In the Labour party, it is the national executive committee. As they cast their votes, Labour party members will bear in mind the performance of NEC members on selection issues. As my hon. Friend the Member for Poplar and Canning Town knows, there is also the selection of the members and chair of the London board. There are democratic processes of recall. On that basis, I do not think that the argument for legislation at this stage has been carried.

Mr. Fitzpatrick: The thrust of the Conservative new clause is that there is some impropriety in Labour party procedures. As chair of the board of the Greater London Labour party—I am sure that this was pointed out in Committee but I repeat it here—I stress that the board has overwhelmingly endorsed the procedures that we have arrived at. The London board is elected regularly by the 65,000 members of the regional party. The individuals who have been nominated to the selection panel, both from the board and from the NEC, jointly arrived at a consensus.

Mr. Ottaway: If that is the case, is the hon. Gentleman happy for the matter to be left to 63,000 members of the Labour party in London?

Mr. Fitzpatrick: There seems to be some suggestion that London Labour's 65,000 members—I beg to differ on the figure—will not have the final decision. They will.

Mr. McDonnell: There seems to be an insinuation that my hon. Friend seeks to prevent my hon. Friend the Member for Brent, East from standing. It is worth pointing out that my hon. Friend the Member for Poplar and Canning Town has made no attempt to prevent my hon. Friend the Member for Brent, East from standing. In many instances, he has given positive support to encourage democratic debate.

Mr. Fitzpatrick: I am pleased to receive the endorsement of my hon. Friend.

London Labour members will ultimately take the decision. The difficulty is that there are too many candidates; we cannot put all 20 or so to the London membership. The number on the final ballot paper will probably be no higher than four. That is our normal procedure for the selection of candidates. My hon. Friend the Member for Brent, East may well be on that shortlist. It is not a matter on which I can contribute. However, the Labour party is comfortable with its procedures. Whatever the conclusions, the one thing of which we are confident is that the Labour candidate will be mayor for London next May.

5.45 pm

Mr. Raynsford: I am surprised that the Opposition have seen fit to table this measure again, given our extensive debate on the subject in Standing Committee. As I explained in Committee, the measure would, in effect, require political parties to adopt internal selection procedures specified by the state in legislation. It would make the processes by which a particular party selected its mayoral candidate grounds for determining whether or not that candidate was in fact allowed to become mayor.

I am astonished that members of the Conservative and Liberal Democrat parties should be nailing their colours to the mast of state interference in the organisation of political parties. They know only too well that that is a slippery slope, which, once embarked on, can lead to the worst possible excesses. All too often, such excesses have stained democracy in parts of the world where state interference has been allowed. Members of parties that call themselves Conservative or Liberal Democrat should think very carefully before advocating state interference in the role and work of political parties.

As I made crystal clear in Committee, I cannot accept the measure. The procedure that each party adopts for selecting its candidates for any election must remain a matter for that party, not for the state. If the electors do not like the way in which a particular party selects its candidates, they will no doubt reflect their distaste when they come to vote. Furthermore, as I also pointed out in Committee, the measure could place a heavy burden on smaller parties. They may not have the resources to organise themselves on the lines proposed and might, therefore, find themselves unable to field a candidate, in which case the measure would have the effect of narrowing the electors' range of choice.

Mr. Bercow: Does the Minister not accept that, to a degree, candidate selection is already justiciable by the courts? The Labour party discovered that to its cost in the context of its women-only shortlist policy.

Mr. Raynsford: The hon. Gentleman would do well to reflect on the extremely visible difference that people see when they look at this place between the relatively reduced, but predominantly male, group of people on the Opposition Benches—men in suits—and the proper representation of women as well as men on the Government Benches. That is the result of the Labour party's commitment to ensuring equal opportunities.

As for the hon. Gentleman's question, it is of course right that political parties must act within the law. It is for the courts to decide. That is different from the state interfering in the processes by which political parties choose their candidates. I put it to Conservative Members, in the nicest possible way, that only members of parties that are in a terminal state of decline or are irredeemably confused could support such measures.

As I understand it, all three major parties will ensure that they have a democratic process for the selection of their candidates. As my hon. Friend the Member for Poplar and Canning Town (Mr. Fitzpatrick) has pointed out, the Labour party will elect its candidate on the basis of one member, one vote. That is clear. Furthermore, all parties will have a shortlisting process—although the Conservatives appear to be a bit confused about that.

In a press statement earlier this year, the Liberal Democrats admitted that they would be drawing up a shortlist of five candidates for mayor by March. They do not seem to have met that target, but never mind; they admit that they are going to draw up a shortlist. As for the Conservatives, the hon. Member for Croydon, South (Mr. Ottaway) is rather confused. In Committee, he said:

> "The Tory party is not having any pre-screening panels."

However, he continued:

> "In the first round the executive of the Greater London area . . . will do a paper sift of candidates . . . If there are 50 candidates, they will reduce the number to, say, 20."—[*Official Report, Standing Committee A*, 28 January 1999; c. 104.]

Although the Tories appear to be rather confused about how they are going to shortlist, shortlist they will, so there will be no problem about shortlisting by any political party.

The only argument being advanced relates to whether members of the party nationally should have an input into that process of shortlisting. It is purely the consequence of their party being incorrigibly anarchic, in the case of the Liberal Democrats, or in a state of terminal decline, in the case of the Tories, that Opposition Members believe that parties centrally should have no role to play in the selection of a candidate for the major post of mayor of London. The Opposition's proposals are opportunistic, inappropriate and disingenuous, and they deserve to be rejected.

Mr. Ottaway: What we are hearing is mock outrage masquerading as democracy. There is no doubt that the Conservative party selects its candidates only through those who are members of the party. There is no central diktat in the Conservative party, nor in the Liberal Democrat party; it is the Labour party that is being undemocratic. The Minister says that he believes in one member, one vote, but that is only if that one member lives at No. 10 Downing street. We shall divide the House on this new clause.

Question put, That the clause be read a Second time:—

The House divided: Ayes 128, Noes 285.

Division No. 162] **[5.51 pm**

AYES

Ainsworth, Peter *(E Surrey)*	Bottomley, Peter *(Worthing W)*
Allan, Richard	Bottomley, Rt Hon Mrs Virginia
Amess, David	Brady, Graham
Ancram, Rt Hon Michael	Brake, Tom
Arbuthnot, Rt Hon James	Breed, Colin
Atkinson, David *(Bour'mth E)*	Browning, Mrs Angela
Atkinson, Peter *(Hexham)*	Bruce, Ian *(S Dorset)*
Ballard, Jackie	Burnett, John
Bercow, John	Burstow, Paul
Blunt, Crispin	Butterfill, John
Boswell, Tim	Cable, Dr Vincent

Campbell, Rt Hon Menzies *(NE Fife)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Clappison, James
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clifton–Brown, Geoffrey
Colvin, Michael
Cran, James
Curry, Rt Hon David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Dorrell, Rt Hon Stephen
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Faber, David
Fabricant, Michael
Fallon, Michael
Fearn, Ronnie
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fraser, Christopher
Gale, Roger
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gillan, Mrs Cheryl
Goodlad, Rt Hon Sir Alastair
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Hayes, John
Heald, Oliver
Heath, David *(Somerton & Frome)*
Heathcoat–Amory, Rt Hon David
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jack, Rt Hon Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson Smith, Rt Hon Sir Geoffrey
Keetch, Paul
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Laing, Mrs Eleanor
Lansley, Andrew
Leigh, Edward
Lidington, David
Lloyd, Rt Hon Sir Peter *(Fareham)*
Llwyd, Elfyn
Luff, Peter
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Maples, John
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Moss, Malcolm
Norman, Archie
Ottaway, Richard
Page, Richard
Randall, John
Robathan, Andrew
Robertson, Laurence *(Tewk'b'ry)*
Rowe, Andrew *(Faversham)*
Russell, Bob *(Colchester)*
St Aubyn, Nick
Sanders, Adrian
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Simpson, Keith *(Mid–Norfolk)*
Spicer, Sir Michael
Spring, Richard
Stanley, Rt Hon Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher & Walton)*
Taylor, John M *(Solihull)*
Townend, John
Trend, Michael
Tyler, Paul
Viggers, Peter
Walter, Robert
Wardle, Charles
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Wilkinson, John
Willis, Phil
Wilshire, David
Woodward, Shaun
Young, Rt Hon Sir George

Tellers for the Ayes:
Sir David Madel and Mr. Tim Collins.

NOES

Abbott, Ms Diane
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, Kevin
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, Rt Hon David
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brinton, Mrs Helen
Buck, Ms Karen
Burden, Richard
Byers, Rt Hon Stephen
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Campbell–Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunliffe, Lawrence
Cunningham, Jim *(Cov'try S)*
Darling, Rt Hon Alistair
Darvill, Keith
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Doran, Frank
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff
Etherington, Bill
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Lorna
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Fyfe, Maria
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grocott, Bruce
Grogan, John
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kelly, Ms Ruth
Kemp, Fraser
Khabra, Piara S
Kidney, David
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
Love, Andrew
McAvoy, Thomas
McCabe, Steve
McCafferty, Ms Chris
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Maxton, John

Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pond, Chris
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Rapson, Syd
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Robertson, Rt Hon George *(Hamilton S)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Salter, Martin
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheldon, Rt Hon Robert
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Snape, Peter
Soley, Clive
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Steinberg, Gerry
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Stott, Roger
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Worthington, Tony
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. David Jamieson and Jane Kennedy.

Question accordingly negatived.

Clause 25

THE PURPOSE OF THE AUTHORITY

Mr. Raynsford: I beg to move amendment No. 109A, in page 14, line 34, leave out from beginning to end of line 17 on page 15.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following: Government amendments Nos. 110A to 113A and 120 to 122.

Government new clause 32—*The general power of the Authority.*

Government new clause 33—*Limits of the general power.*

Government new clause 34—*Consultation.*

Government amendments Nos. 126 and 128.

6 pm

Mr. Simon Hughes: On a point of order, Mr. Deputy Speaker. May I clarify that you have also called amendment (a) to new clause 32, which you did not announce? It may assist hon. Members to learn that, depending on the Government's response, we may seek to divide the House on that amendment.

Mr. Deputy Speaker: The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) is quite right. I apologise to the House. Amendment (a) to new clause 32 is as follows: in line 6, after 'development', insert

'and the encouragement of equal opportunities'.

Mr. Raynsford: Part II of the Bill establishes the principal purposes of the authority, its general powers and functions, how those powers and functions should be exercised, and by whom. It deals also with the accountability and openness of the authority and its functional bodies, and the ethical standards it should maintain. Finally, it deals with the appointment of the authority's staff.

I do not intend to address all those issues today. Each of them was addressed and dealt with in Committee and none of the fundamental principles, or our intentions, were challenged successfully. However, important issues did emerge during our debates, and the amendments I am moving today seek to address the concerns that were expressed and, where necessary, to clarify or make more explicit our intentions.

The principal issues the amendments address are: first, the purposes of the authority; secondly, the general power of the authority; thirdly, consultations to be undertaken in relation to the use of the general power and the preparation of the mayor's strategies; and fourthly, the issues to which the mayor must have regard in preparing or revising those strategies. Our intentions in relation to each of those issues remain the same as in the Committee print of the Bill. So the amendments in the name of my right hon. Friend the Deputy Prime Minister seek simply to ensure that there is no confusion or ambiguity about those intentions, and to reassure Londoners and London organisations that the GLA will be an inclusive, not an exclusive, authority. To this end, amendments Nos. 109A, 110A and 111A delete clauses 25, 26 and 27 of the Bill which are replaced by new clauses 32, 33 and 34.

The principal purposes of the authority are integral to its successful functioning. Those purposes are threefold: first, promoting economic development and wealth creation in Greater London; secondly, promoting social development in Greater London; and, thirdly, promoting the improvement of the environment in Greater London.

Mr. Fitzpatrick: Will new clause 32(2)(b), which refers to "promoting social development", take into account the promotion of equal opportunities as part of that development?

Mr. Raynsford: I am grateful to my hon. Friend for that intervention, and I shall come specifically to that point in a few moments.

[Mr. Raynsford]

The authority's general power is conferred to enable it to further one or more of those purposes, and those purposes will inform the preparation of each of its strategies. Because of concerns expressed in Committee, the drafting of new clause 32 makes it absolutely clear that, in exercising the general power to do anything that it considers necessary to further any one or more of these purposes, the authority must have regard to the effect that that will have on the health of people in London, and on the achievement of sustainable development in the United Kingdom.

Where the authority does exercise the general power conferred by the clause, it is also required to do so in a way that is best calculated to create improvements in the health of people in London and to contribute to the achievement of sustainable development in the United Kingdom.

Other amendments that we shall discuss later—amendments Nos. 114 and 118 to clause 33—ensure that, in preparing or revising his or her strategies, the mayor must have regard not only to the principal purposes of the authority but to similar considerations relating to health and sustainable development.

Promoting the improvement of the health of Londoners and achieving the objective of sustainable development will, therefore—as we have always intended—be explicit and fundamental considerations for the authority. I hope that hon. Members will agree that this meets our White Paper commitments and the concerns expressed in Committee.

Mr. Simon Hughes: Specifically on those two matters, will the Minister explain why the Government are still resisting the inclusion of "promoting improvements in the health of persons in Greater London" and "the achievement of sustainable development" in the list of the principal purposes of the authority in new clause 32(2)? We have

"economic development and wealth creation",

"social development"

and

"improvement of the environment."

Why cannot we have the other two things up there, making a total of five principal purposes?

Mr. Raynsford: I am sorry that the hon. Gentleman obviously did not follow closely the line of argument that we advanced in Committee. We clearly explained that the three principal purposes that I have described are the overarching purposes of the authority, but that, inevitably, they overlap with some of the issues raised by the promotion of health and the promotion of sustainable development. In order to prevent the possibility of any misunderstanding, we have chosen to give added prominence to the issues of health and sustainable development, but without compromising the architecture of the Bill, which has always depended on those three pillars or principal purposes—economic, social and environmental.

As the hon. Gentleman will recognise, sustainable development is obviously implicit in the environmental objective, but it also must be reflected in the economic and social development objectives. If it is not, there will not be sustainable development. Therefore, it would be confusing to set sustainable development as a separate objective.

We have responded to concerns that we were not giving sufficient emphasis to health and to sustainable development by tabling new clause 32, which makes it clear that these considerations are to be in the forefront of thinking in the new authority, but that they must fall in with the three principal pillars that sustain the new authority. We hope that no uncertainty or ambiguity remain on the subject.

I cannot accept amendment (a), tabled by the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) and others, which would add to the principal purposes of the authority

"the encouragement of equal opportunities".

That is not because I do not think that the authority should encourage equal opportunities: on the contrary, we strongly believe that the authority should encourage and promote equal opportunities—it should and it must. We oppose the amendment because it is unnecessary to provide for it in this way.

I cannot conceive of a situation where the principal purpose of promoting social development would not include the encouragement of equality of opportunity. I say that in response to the intervention by my hon. Friend the Member for Poplar and Canning Town (Mr. Fitzpatrick), who is rightly concerned about the matter. Social development obviously cannot be promoted if equality of opportunity is not encouraged.

As I said in Committee, we have sought to ensure, in our discussions of the Green Paper, the White Paper and now the provisions of the Bill, that in our multicultural capital the authority will respond to all sections of the community and promote equal opportunities.

The GLA will have to observe the existing framework for equal opportunities which is imposed on local authorities. It will be subject to the Race Relations Act 1976, the Sex Discrimination Act 1975 and the Disability Discrimination Act 1995; and many of the Bill's provisions will ensure that the authority gives equal opportunities the importance that they deserve. The provisions and our amendments on consultation, transparency and accessibility are all especially important in that respect.

6.15 pm

Mr. Hughes: I hear what the Minister says in response to our amendment and to the intervention by the hon. Member for Poplar and Canning Town (Mr. Fitzpatrick), but is it right that there are provisions that resemble the wording of amendment (a) in the Scotland Act 1998, in the Government of Wales Act 1998 and in the Northern Ireland Act 1998? The amendment is supported by the Association of London Government. Why on earth are we exclusively taking London out of that flagged-up, written-up protection, which is widely supported by those outside the House who believe that it should be written into part II of the Bill?

Mr. Raynsford: The hon. Gentleman will recall from many hours of debate in Committee that provisions that have been implemented in Scotland and in Wales have

not been adopted in the same way in London. Conversely, some provisions that we have adopted in the London legislation are not echoed in the Scotland and Wales legislation, for very good reasons.

Earlier, we discussed thresholds. We have made provision for thresholds in the Bill, but there is no equivalent in Scotland or in Wales. If we believe—as I thought the Liberal Democrats did believe—in devolution, we may feel that it is appropriate that there might be some differences in the way in which duties and powers are expressed in different parts of the country. However, I thought that I had made it clear to the hon. Member for Southwark, North and Bermondsey—and I hope that I have satisfied my hon. Friend the Member for Poplar and Canning Town—that that does not in any way imply that there is not a commitment to equal opportunities. On the contrary, we have a total commitment to equal opportunities. It is implicit in the way in which the Bill is drafted. There are clear statutory obligations on the authority to pursue equal opportunities.

Moreover, as I have explained, the GLA will be a best-value authority, and best value will require local authorities to put equality and equality of opportunity at the heart of their policies. No authority could be said to be truly effective if it discriminated against one section of the community, or in favour of another, in the delivery of its services.

Of course, we do not intend to give the authority carte blanche to do anything that it chooses. That is why, in drafting the general power and purposes provisions of the Bill, we have sought to achieve a clear balance between the need to provide the authority with the freedom and flexibility to act, and the need to avoid duplication with the statutory responsibilities of its own functional bodies and other authorities, organisations and public bodies.

For that reason, the limitations that we sought to place on the use of the general power in clause 27 remain the same in new clause 33. Now, however, they are freestanding. The only new provision is set out in subsection (9). That gives the Secretary of State an order-making power to remove or restrict the prohibitions or limitations placed on the use of the power by the rest of the clause. The Bill already provides for the Secretary of State to add to these prohibitions—clause 27(10)—and we felt that it was right and appropriate and a suitable balance, not least because of allegations that have been made by Opposition parties that we were giving too many powers to the Secretary of State, also to provide the power to remove particular prohibitions or limitations.

Our primary objective in establishing the GLA's structure and its procedure is that it should be easily accessible to the people of London and that it should be able to respond to and reflect their interests, needs and priorities. An essential means of securing that objective is to ensure that effective consultation takes place. Londoners must be able to ensure that their views about what the authority does, or plans to do, are properly considered and taken into account.

For that reason, we included in clause 25 provisions requiring the authority, in deciding whether to exercise any of its powers, to consider consultations with bodies or people that it considers appropriate to consult—including in particular business interests. We also provided a requirement in clause 34 for the mayor to consult about the preparation or revision of his or her strategies.

These provisions were meant to be inclusive, but it was clear from debate in Committee and from representations that I received from interested groups that our intentions would be made clearer if some broad categories of interest were named in the Bill as consultees or potential consultees. We agree that clarity is important in this matter. New clause 34 and amendment No. 120 to clause 34 extend the consultation provisions to meet the concerns that have been expressed.

The general power provided for in new clause 32 can now be exercised by the mayor only after consultation with such bodies or people as the mayor considers appropriate in any particular case. Moreover, in determining what consultations, if any, are necessary, the mayor must consider whether to consult certain specified categories of interest.

Those categories are any London borough council; the common council; voluntary bodies some or all of whose activities benefit the whole or part of Greater London; bodies that represent the interests of different racial, ethnic or national groups in London; bodies that represent the interests of different religious groups in Greater London; and bodies that represent the interests of persons carrying on business in Greater London.

Amendment No. 120 requires the mayor, in preparing or revising any strategy, to consider consulting the same bodies.

Some concern has been expressed that the amendments might in some way diminish the requirement to consult business. I can state categorically that that is not the case. The mayor must now have regard to the principal purposes of the authority—which include economic development and wealth creation—in preparing or revising any strategy, and as a consequence of amendment No. 120 must now consider consulting business about those strategies.

That, of course, means that consultation must take place in circumstances where business's interests would be affected. It was never our intention to give business, or any other interest group, the right to be consulted irrespective of the circumstances. That would be both impracticable and foolish. However, we believe it right that business should be consulted on all matters likely to affect business interests. That is what we have provided for.

I am sure hon. Members will agree that the mayor must have some discretion in deciding who he or she should consult. The mayor obviously cannot consult everybody about everything. These provisions mean that, where the mayor fails to give proper consideration to who he or she should consult, or fails to consult bodies representing groups with legitimate interests that will be affected by the exercise of the authority's powers and functions, the mayor's reasons for failing to do so could be challenged and tested. Our intention is to protect the legitimate interests of Londoners, while preserving the proper discretion of the mayor to decide who he or she should or should not consult.

Throughout our debates in Committee, there was a tendency for any hon. Member who came across a list, in any clause, to seek to amend the Bill by adding to that list some other item or consideration. We have resisted such amendments. In this case, however, we recognised that there was genuine concern to improve the way in

[Mr. Raynsford]

which our intentions were expressed in the Bill, and legitimate reasons for doing so. We have therefore agreed to the inclusion of this short list in the Bill.

I should warn Opposition Members, however, that this is not an invitation for them to consider what they can add to that list. I note that in one of his later amendments—amendment No. 151—the hon. Member for Southwark, North and Bermondsey is already seeking to add a further category of consultees to those who should be consulted about the strategies. We will be resistant to further additions, because lists that are allowed to grow become unwieldy and, rather than being indicative, risk becoming exclusive, thereby discouraging wider consultation.

I have considered the comments made in Committee, and other representations that I received, about requiring the authority to establish a civic forum. However, I remain of the view that it would be wrong to require the authority to establish such a forum. It should be for the authority to decide how to conduct its consultations.

New clause 34(4) provides the authority with a specific power to make appropriate arrangements for undertaking consultation. Therefore, there can be no doubt about the authority's powers to establish a civic forum, if it believes that that would be the best way to proceed.

The other amendments tabled by my right hon. Friend the Deputy Prime Minister are more modest in their scope. Amendments Nos. 112 and 113 make it clear that when and if new functions are transferred or conferred on the authority, they will be exercisable by the mayor unless otherwise specified. Amendments Nos. 121, 122, 126 and 128 are consequential, drafting or technical amendments.

I apologise for taking some time to introduce and explain the amendments and new clauses. I hope that the House will recognise that the issues are complex and that it is important for them to be spelt out in detail before we debate them.

Mr. Ottaway: We agree with the broad thrust of this extensive group of amendments and new clauses. However, I make one observation. If ever evidence were required that the Labour party had lost its soul, spirit and principles, the House need look no further than new clause 32.

For the Labour party, of all parties, to state that the primary objective—the objective that it puts at the top of the list—is wealth creation in Greater London astonishes me. As the Minister moved the clause, I saw the ghosts of the elder statesmen of the Labour party stirring in their graves. What they would make of those priorities, I cannot imagine.

We all know why the Government have done that. This is the Labour party of mood music and focus groups, which tells the public what they want to hear. That is cover for the fact that the Government have introduced compulsory union recognition, signed the social chapter, introduced a minimum wage and accepted the working time directive, all of which do nothing to help wealth creation in Greater London.

Mr. Livingstone *rose—*

Mr. Ottaway: Labour is the party of soaring welfare bills and falling police numbers. It is the party that wants to surrender the country's interests to a European superstate.

Mr. Livingstone *rose—*

Mr. Ottaway: I shall give way to the hon. Gentleman in a moment.

We are the party of wealth creation, of the free market economy, of liberalisation and deregulation, of honesty in taxation and of creative solutions. I give way to the hon. Member for Brent, East (Mr. Livingstone)—

Mr. Deputy Speaker: Order. The hon. Member for Brent, East (Mr. Livingstone) should not stand for so long when he is seeking to intervene.

Mr. Livingstone: Thank you, Mr. Deputy Speaker. I was trying to intimidate the hon. Member for Croydon, South (Mr. Ottaway) so that he would let me get in.

Can the hon. Gentleman tell us of any Labour Government who were not in favour of wealth creation? There has been a debate about the proportion of the wealth that should come to the central state for redistribution, but having been around some of the wilder fringes of the Labour movement over the past 30 years, I never came across anyone, apart from one or two complete nutters, who was not in favour of wealth creation. They just wanted some of it for themselves.

Mr. Ottaway: The hon. Gentleman misses my point. I cannot imagine any other Labour Government but the present one who would put wealth creation first. Although they have put it first, and they know that it will run well with the public, they do not know what it means. I gave a list of the measures that they have introduced which will do nothing but destroy wealth creation.

The clause is a facade. The Labour party has no idea how to promote wealth creation. Nevertheless, we look forward to its implementation by a Conservative mayor who knows what the expression means and how to put it into action.

Mr. Simon Hughes: That interlude from the hon. Member for Croydon, South (Mr. Ottaway) suggests that he thinks that the Tory party's policy on these matters needs redefinition. I warn him that the more redefinition we get in the final fortnight before certain elections, the more unhelpful it may be.

There are three substantive matters relating to this group of amendments and new clauses. The first was the subject of my first intervention in the Minister's speech. The Government are regrouping their clauses of old into their new clauses of today. Although they say that the entire London edifice must stand on three pillars, whatever we think of the order in which they are expressed—economic, social and environmental—all of which are fine, there has never been a convincing and logical argument against the addition of sustainability and health as primary purposes.

The pressure from outside the House, and the general view expressed by those who responded to the Green Paper, was that one of the functions of the Greater London Authority should be to promote the health of Londoners.

It should therefore be a principal purpose. We do not think that the Government have any justification for downgrading it.

6.30 pm

On the second, sustainability, the Government's argument does not stack up either. Although the Minister is right to say that we need economic, social and environmental sustainability, none the less each of the three principal purposes listed in the new clause is interconnected; and it does not mean to say that we should not have economic development that is not socially or environmentally acceptable.

The Government remain unpersuaded. I am not even sure that the new drafting works much better. New clause 32(2) now lists the three principal purposes to be promoted, (4) adds health and sustainability and has slightly odd wording, and (5) contains another qualification, namely, that any action can be undertaken only if it is reasonably practicable. The draft people have been at work again. I am sure that there is a clearer way, even if the Government did not want to go the whole hog with us and list the five purposes.

The second matter on which the Government said they had responded was consultation. We welcome the fact that new clause 34 includes a list of groups of consultees. In Committee, we had an odd debate about when we should or should not have lists. The truth of the matter is that the Government have lists throughout the Bill, but they did not like it when anyone else wanted to alter them. The new clause is a result of pressure to list bodies that are properly to be consulted. We welcome the fact that the voluntary sector, racial, ethnic and national groups, and religious and business groups in London are to be consulted. We recognise and welcome the fact that the Government have flagged it up that if they were not consulted those groups would have recourse. They want to participate and be involved.

We share the Government's view that being over-prescriptive about the format in which the groups should be consulted would be wrong. Therefore, a provision that states that we should consult with these people is better than something called a civic forum, or some other definition of what may be a changing kaleidoscope of London organisations.

The only amendment to the Government's new clause that your predecessor in the Chair confirmed had been selected, Mr. Deputy Speaker, is the simple amendment (a) to new clause 32, to which I referred, and which was tabled by my hon. Friends and me. It would provide that the encouragement of equal opportunities should be expressly included in the power of the authority. I hope that the hon. Member for Poplar and Canning Town (Mr. Fitzpatrick) will understand me when I say that there would be a deficit in the Bill if the amendment were not included.

The Minister said that we believe in different solutions for different parts of the United Kingdom, and I understand the argument. It is a reasonable proposition. However, there is no reason why legislation that will set up regional or citywide government for London—whatever one likes to call it—where there is a wider racial and ethnic mix and a more diverse community than any other place in Britain, should not contain legislative guarantees that the Government agency for this part of the world should promote equal opportunities. The Government in Scotland will have certain powers in that regard. The Assembly in Wales will have fewer powers than the Government of Scotland, but the provision is written in there. The Northern Ireland Assembly will not have the full legislative remit, but it is written in there too.

London government will have powers that go beyond the local boroughs. It will act across that whole range of activity. I hope that the Government will reconsider and decide that it will be in their interest but, more important in the interests of the communities of London that the equal opportunities power be included in the legislation.

Stonewall has written to me in the past few days specifically commending the Bill. In the light of the incidents of the past two weeks, when two of our racial communities and one area of London that is popular with another of our communities have been under attack by whatever sort of person for whatever motive, organisations such as Stonewall, which are entirely credible and reputable, have been reminded that to have an equal society in London we need to ensure that legislation for London reflects that equality.

I hope that the Government will accept that proposition and the amendment. If they do not do so, we will force a Division to flag up the fact that the matter is of the highest importance. I hope that the provision will not have to go to the other place before it is changed. If the House does not accept the amendment, I have no doubt that the other place will want to reconsider the matter and change the Bill.

Mr. Wilkinson: Like my hon. Friend the Member for Croydon, South (Mr. Ottaway) I generally welcome new clauses 32, 33 and 34, which supersede clauses 25, 26 and 27. It is always heartening when Ministers listen to representations made in Committee and come back on Report with enhancements to the drafting and improvements to the Bill. I am convinced that the three new clauses would achieve those aims.

On the principal powers that the authority is to pursue, I, like my hon. Friend, wholeheartedly applaud the unequivocal statement that the promotion of economic development and wealth creation is to be an objective of the authority. It is sad that Labour policy under this Government to date has militated against this objective. It is to be hoped that the mayoralty, under another colour—a Conservative colour—may genuinely and wholeheartedly pursue and succeed in achieving the objective of wealth creation.

I am never clear what social development means, but I have an idea of what the Government have in mind. Of course, improvement of the environment is important. However, the key is the reasonable balance stipulated in new clause 32(3)(b). Pursuing economic development at the expense of the environment has done much damage in London, as has the neglect of social development in the pursuit of economic objectives. That balance must be at the heart of the authority's powers, which it is. I hope that, in the execution of those powers, the authority will genuinely secure reasonable equilibrium between those three main objectives.

The beneficial side effects will be the promotion of the health of persons in London, which is well and good, and contribution towards the achievement of sustainable

[Mr. Wilkinson]

development. I confess to still being somewhat at a loss as to what sustainable development entails in a London context. I can only presume that it is a consequence of that balance which is mentioned earlier in the new clause.

The limits are equally important. They are heartening and they are part of the reason why I applaud the new clauses. New clause 33 states unequivocally that

"The Authority shall not by virtue of"—

the general powers—

"incur expenditure in providing . . . any housing".

The old-fashioned Greater London council housing estates were some of the most damaging housing developments for the environment in London and they brought about a division in housing provision that has had adverse social consequences to this day. *[Interruption.]*

I welcome the statement that the authority shall not incur expenditure on "any education services". The Inner London education authority is not a body which we would want to be resurrected in any shape or form and it cannot be under new clause 33.

Likewise, social services are obviously best provided at the most local level possible, which is the borough. As for health services, although provision is inadequate in London—I know that the Liberal Democrats have concerns about it and believe that the authority should have a fuller role—health is a professional matter which is best dealt with by professionals. I do not believe that the authority would have such skills.

Mr. Bercow: My hon. Friend develops a powerful case. Perhaps he overheard the Minister for Transport in London chuntering the word, "rubbish" from a sedentary position a moment ago in response to what he was saying about old-fashioned council housing. I wonder whether my hon. Friend deduces from that chuntering that the hon. Lady is an enthusiast for the drab uniformity of former council house provision.

Mr. Wilkinson: If I engender any reaction on the Government Benches, especially the Front Bench, I am heartened, especially in a somewhat specialist debate of this nature.

The Minister for Transport in London (Ms Glenda Jackson): I am determined to nail the canard that any utterance of mine from a sedentary or standing position is not entirely comprehensible to anyone in the Chamber. I never chunter.

I am sure that the hon. Member for Ruislip-Northwood (Mr. Wilkinson) will, on mature reflection, agree with me that Labour policies on social housing transformed the life of thousands of Londoners by taking them out of the squalid slums in which decade after decade of Conservative Government had regrettably left them. The housing provided was a benchmark for the kind of housing that transforms not only people's lives but their health and the lives of their children.

Mr. Wilkinson: I agree that the hon. Lady never chunters. Her diction and elocution are a model to us all. If we all projected our voices as well as she does, we would do a better job.

Social housing had its usefulness in its time, but it created ghettos. Decay was not remedied in many instances. Lady Thatcher's policy of enabling tenants to buy their homes did the good which was delayed for so long and transformed Greater London council estates.

I referred in Committee to new clause 33(4)(b). I seek a renewed assurance on the Floor of the House that the power to acquire existing housing accommodation shall not be abused. The subsection refers to "a temporary basis". The power could be abused, especially if compulsory purchase powers were invoked.

I welcome the broad balance of the consultees who are specifically listed in new clause 34 and the fact that the authority will be able to work out with the consultees the best manner of formalising any arrangement. The Government have done a good listing job and generally improved the Bill.

Mr. Tony McNulty (Harrow, East): I did not intend to speak, but I have been sorely provoked, not least by the little tantrum from the hon. Member for Croydon, South (Mr. Ottaway), which exerted him so much that he had to leave. He then came back bright and recovered; whatever he went out to get, can I have some of it please? The hon. Gentleman spoke abject nonsense. I agree with my hon. Friend the Member for Brent, East (Mr. Livingstone) that no Labour Government were ever against wealth creation of any description.

The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) seems to have great difficulty understanding overarching principles and qualifications of those principles in relation to health and sustainable development. He shows naked opportunism when it comes to equal opportunities. It is interesting that, this time round, he seemed to eschew lists. He may remember a classic little list from the Liberal Democrats in Committee that had about 20 organisations on it. Sadly, five never existed; three were wrongly named; and two had already been abolished. That is the strength of little Liberal Democrat lists.

Mr. Simon Hughes: A slight exaggeration.

Mr. McNulty: Well, I am allowed poetic licence to some degree, surely.

New clause 34 deals with consultation. It is right that it contains short lists of core bodies that should be consulted, such as the London boroughs and the common council. The new clause gives the mayor and the democratically elected assembly powers to consult whomever they see fit, as and when they see fit. That must be true democratic practice.

6.45 pm

I wish to nail the canard that, without the Liberals' sixth-form little amendment, the Bill will contain no reference to equal opportunities. That is utter nonsense. By any reading, equal opportunities and cultural diversity pervade the Bill. If people do not realise that, they should read the Committee proceedings in detail. During those glorious two months up in Committee Room 12, hon. Members from all parties stressed again and again the importance of equal opportunities and cultural diversity. So it is a shame and beneath contempt that the

hon. Member for Southwark, North and Bermondsey implied that, without his amendment, equal opportunities would not be dealt with in the substance of the Bill.

Despite the hon. Gentleman's reference to Stonewall, it is a sheer and utter disgrace to pray in aid the bombs that have gone off in London in the past week in support of his amendment. To say that we must accept his silly little amendment because any real notion of cultural diversity and equal opportunities is absent from the Bill is shameful naked opportunism.

Mr. Simon Hughes: The amendment originated not with me but with others outside the House, so it is not "my little amendment". Those from whom it came think that it is important. It was important before the events of the past two weeks and it is important now. The argument that the hon. Gentleman has not answered is why legislation for London government should not give the same prominence to equal opportunities as legislation for the other parts of the United Kingdom.

Mr. McNulty: If the hon. Gentleman had been listening—he was talking to his colleague—he would have heard me say that equal opportunities pervade the Bill. They pervade it far more extensively than the legislation for Scotland and for Wales, which sought to encapsulate reference to equal opportunities in one clause. One has only to read the Committee proceedings to know how hon. Members from all parties view equal opportunities and cultural diversity.

Mr. Bercow: I agree with the thrust of the hon. Gentleman's criticism of the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) and exhort the hon. Member for Harrow, East (Mr. McNulty) not to understate his case, which is a serious failing on his part. Does he agree that the hon. Member for Southwark, North and Bermondsey has just introduced an extraordinary constitutional doctrine which I have not come across before? He suggests that an amendment is not his simply because he was put up to it by someone outside the House. Is it not important that the hon. Gentleman should accept exclusive responsibility for the amendment that he and his party have tabled?

Mr. McNulty: Happily, the hon. Member for Buckingham (Mr. Bercow) was not a member of the Committee for two months. If he had been, it might have been all the more painful an experience. I am grateful for his guidance. I am mindful of the fact that I have a tendency to understate my case when I speak in the House, so I shall take his advice on board. He is right that, when hon. Members table an amendment, it is their amendment, wherever they take their inspiration from. Time and again in Committee, as members of the Committee will know, when Liberal Democrat members were in a corner they used the little refrain, "It's someone else's, not ours, guv," rather than claiming their own words. The proceedings are littered with that refrain, however much the hon. Member for Southwark, North and Bermondsey may shake his head.

I am pleased that new clauses 32, 33 and 34 move us on to greater clarity, not least on the general power of the authority—despite what the hon. Member for Southwark, North and Bermondsey says. Clearly, the Liberals would rather have some first-year undergraduate essay of 20,000 words covering every little aspect of what the GLA may or may not do, but we seek to legislate for a strategic body; to give it the broad strategic framework within which to operate; and to elect a bunch of people to run it and tell them to get on with it, both in terms of fulfilling its functions and in terms of deciding who it should consult and how.

Happily, despite the protestations of the hon. Member for Southwark, North and Bermondsey, we know that there will not be a Liberal Democrat mayor. Equally, we know that—unless the Conservatives secure a proper candidate rather than the current front-runner, who likes to give £2,000 to strangers at Paddington station every now and again—there will not be a Conservative mayor. I merely ask hon. Members to embrace not just the essence of new clauses 32, 33 and 34, but all aspects of the GLA.

As I said in Committee, I believe that five or 10 years from now the beast that will be the GLA and the mayor will be entirely different from what is currently in the legislation. That should inspire us with relish rather than anything else, but I will not indulge, or allow the House to indulge, in the naked opportunism indulged in by the hon. Member for Southwark, North and Bermondsey. It is a disgrace, and I thought that someone should say so.

Mr. Raynsford: We have had an interesting debate on what a number of speakers have recognised to be an attempt by the Government to rephrase and clarify the previous drafting of the Bill, to ensure that its purposes are clear and unambiguous.

The hon. Member for Croydon, South (Mr. Ottaway) gave us an insight into his strange view of the world when he suggested that wealth creation was not a concern of the party that is currently in government. My hon. Friend the Member for Brent, East (Mr. Livingstone) made the perfect riposte, pointing out that, in some 30 years' experience of that party, he had never known wealth creation not to be one of its principal objectives—although, of course, there would be other objectives. We are no different in that respect: we make it clear that the principal purposes of the Bill are not just the promotion of economic development and wealth creation, but the promotion of social development and environmental improvement. I cannot imagine any sane person objecting to that formulation.

Mr. Ottaway: Will the Minister confirm that no Labour Government have left office with unemployment lower than when they took office?

Mr. Raynsford: The hon. Gentleman obviously has not been reading his history. The Labour Government of 1945 inherited circumstances in which an enormous number of people were returning from the armed services without employment, and ensured that they left conditions of virtually full employment to the Conservative Government who succeeded them in 1951. That was a remarkable achievement—rather different from the achievement of Conservative Governments during the 1980s and 1990s, who presided over a massive increase in unemployment as a result of two recessions that their ill-conceived policies visited on the country.

I am afraid that the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) is still wedded to the view that he expressed in Committee: "If ever we see a list,

[Mr. Raynsford]

let us add an item to it". The hon. Gentleman seems unable to break that habit. We will keep trying, but I fear that the habit is deeply ingrained, probably as part of his party's policy.

The hon. Gentleman was a bit confused about subsections (4) and (5) of new clause 32. Let me explain, so that there is no doubt at all. Subsection (4) confers a duty on the authority, when it is considering whether—and, if so, how—to exercise its power, to

"have regard to the effect which the proposed exercise of the power would have"

on the health of Londoners, and on sustainable development objectives. A second duty, under subsection (5), binds the authority, when it exercises the power conferred on it by an earlier subsection, to act in the way that it considers best calculated to promote improvements in health. That imposes an obligation both to consider the issue and to act in a particular way. Subsection (5) also imposes a duty to act in the furtherance of sustainable development. I consider that an appropriate way in which to describe the duty involved in both the contemplation and the implementation of policy.

As for equal opportunities—as I have made clear, and as has been reiterated by my hon. Friend the Member for Harrow, East (Mr. McNulty)—we are entirely committed to them. We want the authority to be exemplary in the pursuit of such opportunities: throughout the Bill are provisions requiring the authority to act in a way that will enhance them for all sections of the community in London. The hon. Member for Southwark, North and Bermondsey makes the mistake of assuming that one token reference is better than a Bill that establishes a series of duties and obligations that will achieve the effect that he wants. That is tokenism, rather than the pursuit of policies that will have an impact—and I have to say that it is one of the besetting sins of the Liberal Democrats.

I am grateful to the hon. Member for Ruislip-Northwood (Mr. Wilkinson) for his kind comments about what we have done to try to improve the drafting of the Bill. In regard to housing, my hon. Friend the Minister for Transport in London rightly expressed concern about his remarks denigrating the London county council's record of providing good-quality homes for hundreds of thousands of Londoners; but, rather than pursuing that, perhaps we should focus on the purpose of the provisions that the hon. Gentleman mentioned.

The hon. Gentleman approved of the effect of subsection (3) of new clause 33, which does not allow the authority to incur expenditure in providing housing. The reason for the provision is, quite simply, that we do not consider that there should be a duplication of powers that already rest with the London boroughs. The position has changed dramatically since the LCC was the major housing authority for London. The boroughs are now the principal housing authorities, and we do not want an overlap or a duplication of responsibilities.

The hon. Gentleman was, however, worried about subsection (4), and the possibility that the authority would acquire existing accommodation. It is clear that that would be only in support of additional purposes—other purposes that the authority has power to pursue. For example, in the case of an economic development objective, the GLA could be asked by a borough or a public-private partnership in an area of London to act in a way that would further the development of that area, and to acquire certain properties. It would have the power to do that, ancillary to other uses.

Mr. Wilkinson: The Minister has spelt out the position relating to economic development. I am concerned about subsection (2)(b), which relates to the promotion of social development. Is that not the loophole that could be exploited, perhaps unscrupulously, by an extremist mayor in the pursuit of objectives that most mainstream people would not support? Compulsory purchase powers should not be used for the extension of social housing in London.

Mr. Raynsford: I can envisage circumstances in which, in support of a local regeneration scheme, the GLA might act to support a local authority in carrying out the decanting of people in need of rehousing, but that would be ancillary to its principal objective of furthering regeneration. It would not be able to pursue its objectives purely for the sake of housing. That is the distinction. It is there to act in partnership, and to support others; it may not itself act in pursuit of housing objectives, and it has no compulsory purchase powers.

My hon. Friend the Member for Harrow, East rightly reminded us of the Liberal Democrats' tendency in Committee in respect of lists. He rightly pointed out that equal opportunities pervade the Bill. I hope that the House will not be tempted to follow the Liberal Democrats in showing a tokenist adherence to the principle of equal opportunities, but will support the Government, who are keen to ensure that the authority acts in the interest of all sections of the community in London, and genuinely enhances equal opportunities.

Amendment agreed to.

Mr. Simon Hughes: I beg to move amendment No. 36, in page 14, line 35, after 'of', insert 'health and'.

Mr. Deputy Speaker (Mr. Michael Lord): With this, it will be convenient to discuss the following amendments: No. 37, in clause 31, page 18, line 3, at end insert—

'(da) the Greater London Regional Health Authority;'

No. 38, in page 18, line 12, at end insert—

'(ba) the Greater London Regional Health Authority,'.

No. 39, in clause 57, page 31, line 13, leave out 'and'.

No. 40, in page 31, line 14, at end insert

'and

(e) the Greater London Regional Health Authority.'

New clause 12—*Greater London Regional Health Authority*—

'(1) There shall be a body corporate to be known as the Greater London Regional Health Authority.

(2) The Greater London Regional Health Authority shall have the functions conferred or imposed on it by this or any other Act, or made exercisable by it under this Act, and any reference in this Act to the functions of the Greater London Regional Health Authority includes a reference to any functions made exercisable by this Act

(3) The Greater London Regional Health Authority shall exercise its functions—

(a) in accordance with such guidance or directions as may be issued to it by the Mayor,

(b) for the purpose of facilitating the discharge by the Authority of the duties under this Act, and

(c) for the purpose of securing and facilitating the implementation of the health strategy.

(4) The Authority may issue to the Greater London Regional Health Authority—

(a) guidance as to the manner in which it exercises its functions,

(b) general instructions as to the manner in which it is to exercise its functions, or

(c) specific instructions as to the exercise of its functions.'.

Amendment No. 41, in clause 305, page 158, line 37, leave out 'or'.

Amendment No. 42, in page 158, line 38, at end insert 'or

(e) the Greater London Regional Health Authority;'.

Mr. Hughes: The amendment proposes that health should be one of the matters that the authority should try to improve, as part of its objective to promote economic and social development. One of the strange omissions in the Bill is the Government's refusal to give the authority more than a limited role in relation to health. We debated it in our earlier discussion, but apparently it is not to be included in clause 25.

7 pm

We have never understood, and still fail to understand, why the Government have not taken the great opportunity to put what is now the newly constituted regional health office for London—it has been in existence since the beginning of April, was formed out of the previous north and south Thames offices and is the obvious body to look after regional health strategy—under the umbrella, as it were, of the Greater London Authority, making it one of the functional bodies, to use a phrase in the Bill, and one of the tools with which the GLA would work to achieve its purposes throughout London. We are going to end up with the GLA planning things to do with the promotion of better health—we discussed them in the previous debate—but not being given the link to the obvious body to do that.

New clause 12 would set up, under that umbrella, the Greater London regional health authority. It would effectively take a body that is led by appointees—secret people, whom the public barely know—and is a remote part of the NHS, and bring it across, so that it could be accountable to the people of London.

Controversial decisions about the closing of hospitals, the planning of strategic health services or the amalgamation of great teaching hospitals should be taken in the open, by accountable people who can be kicked out of office if they get the decisions wrong and who have more than a local view. That is a strongly felt view in London.

We hope that the Government, having resisted the proposal in Committee, will, even at this late hour in the proceedings on the Bill, have second thoughts. The move is strongly supported by those outside the House who, however disparaged they are by the hon. Member for Harrow, East (Mr. McNulty), seek to persuade us to advance arguments with which we agree, on their behalf.

Mr. Ottaway: I shall comment briefly on the Liberal Democrat proposal to establish a regional health authority. It seems to us that, when the London regional office of the NHS executive was created in January, it was intended to fill the gaps in the strategic management of health care in London. That office was intended to work in partnership with local government social services, not under local government direction.

The London regional office was given five key issues to deal with: developing an understanding of health needs across London; improving primary care; developing intermediate and community care; putting a new focus on the most vulnerable Londoners; and modernising London hospitals. In the judgment of the Conservative party, direct provision of health care is best left to the professionals, rather than to those in local government.

Mr. Wilkinson: I broadly support my hon. Friend the Member for Croydon, South (Mr. Ottaway), but at the same time express a certain sympathy for the objectives behind the Liberal Democrat amendment. I think that all of us will have had experience, in our daily duties as constituency Members, of the problem that is caused by the undemocratic nature of health authorities that take decisions on behalf of our constituents.

Those decisions seem at times totally irrational. They certainly have been in the Hillingdon borough with regard to Mount Vernon hospital. If things go wrong, that may also be the case with decisions on the future of Harefield hospital. However, the problem extends well beyond London.

I am not clear how a body that is specifically directed to bringing forward a Londonwide health policy, under the control of the Greater London Authority, and thereby making it accountable would be the model for the nation as a whole. The London executive of the national health service has to disburse funds that are raised nationally. The London region allocates resources in competition with bodies that allocate resources elsewhere in the country. We have seen how resources have been taken away from London under the old RAWP—resource allocation working party—formula, to the benefit of the provinces.

There needs to be a re-examination of how to achieve better democratic accountability for the NHS as a whole, nationwide. I do not believe that the Bill is the way in which to do it. It would cause a distortion of administrative processes. As my hon. Friend the Member for Croydon, South has said, it is an area of public policy that is best left to the professionals.

Mr. Hughes: We share the hon. Gentleman's view that, ideally, accountability would be better achieved on an England-wide basis; Scotland, Wales and Northern Ireland would have their own arrangements. We do not have that for the time being. It is only because of the inability of any legislative vehicle to achieve accountability more widely that we seek to do it now. If we could do it for London this year, we could do it for the other parts of England next.

Mr. Wilkinson: I am not sure that the Labour Government are yet disposed to what the Liberal

[Mr. Wilkinson]

Democrats propose. It may come to that, but the Minister shakes his head. I am sure that some of the older members of his party who are behind him will be shaking their heads even more vigorously.

I appreciate the intentions. In our part of London, decisions have been driven through against the clear, majority will of local people. Huge petitions are raised and not a blind bit of notice is taken. However, it is not a purely London phenomenon. It is one that other Members have suffered elsewhere. We must acknowledge that fact and say that, laudable as the objective behind the amendment is, it is deficient.

Mr. Raynsford: I am surprised that the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) has returned to the issue at this stage of the Bill. I thought that I had made it clear in Committee that the Government had no intention of establishing a Greater London regional health authority under the direction of the Greater London Authority.

We want the GLA to have a clear and genuinely strategic role in considering the underlying determinants of health. We want it to have a duty to take action, as I have described, in promoting improvements to Londoners' health. That is what the Bill provides for, but there is no justification for another tier of health administration.

There are no regional health authorities in other parts of the country; they were abolished in 1996. Since 1 January, there has been a new strategic health body for London, the London regional office of the NHS executive. It is concerned with strategic health issues for the capital, as well as strategic management of health services. We expect it to work in close partnership with the GLA for the benefit of Londoners.

I detect a certain difference between the view of the hon. Member for Croydon, South (Mr. Ottaway), who speaks for the official Opposition and who broadly concurs with our policy, and that of the hon. Member for Ruislip-Northwood (Mr. Wilkinson). Perhaps the rethink going on in the Conservative party about its role in relation to health is an active debate, in which those two Members are on different sides, but I will leave their private grief to them and their party.

We are setting a clear provision for health to be at the forefront of the new Greater London Authority's mind when developing its services, but it should not be engaged in the administration of the NHS, which is better dealt with by other means.

Mr. Simon Hughes: The campaign to democratise the health service will go on. I was not expecting the Government to give in. They are resisting democracy in all sorts of places. Conceding that on this occasion they have the numbers against us, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 26

SECRETARY OF STATE'S GUIDANCE ABOUT THE AUTHORITY'S PURPOSE

Amendment made: No. 110A, in page 15, leave out lines 18 to 25.—*[Mr. Dowd.]*

Clause 27

GENERAL POWER OF THE AUTHORITY

Amendment made: No. 111A, in page 15, line 26, leave out from beginning to end of line 28 on page 16.—*[Mr. Dowd.]*

Clause 29

FUNCTIONS TO BELONG TO AUTHORITY BUT BE EXERCISABLE BY MAYOR, ASSEMBLY OR BOTH

Amendments made: No. 112A, in page 17, line 1, leave out subsection (2) and insert—

'(2) Any function—

(a) which is transferred to, or conferred or imposed on, the Authority by or under this Act or any other Act (whenever passed), and

(b) which (apart from this subsection) is not made exercisable on behalf of the Authority by the Mayor, by the Assembly, or by the Mayor and the Assembly acting jointly,

shall be exercisable only by the Mayor acting on behalf of the Authority.'.

No. 113A, in page 17, line 27, leave out 'Subsection (3) above is' and insert

'Subsections (2) and (3) above are'.—*[Mr. Dowd.]*

Clause 33

GENERAL DUTIES OF THE MAYOR IN RELATION TO HIS STRATEGIES

Mr. Simon Hughes: I beg to move amendment No. 64, in page 19, line 22, at end insert—

'(i) the strategy for the River Thames prepared and published under section (*The River Thames*) below.'

Mr. Deputy Speaker: With this, it will be convenient to discuss new clause 13—*The River Thames*—

'(1) The Mayor shall prepare and publish a document to be known as the "River Thames Strategy".

(2) The River Thames Strategy shall contain the Mayor's proposals and policies for the use, enhancement and protection of the river and riverside known as the "Thames Policy Area".

(3) In preparing the strategy the Mayor shall seek to promote and encourage holistic and integrated approaches to the strategically significant features of the river:

(a) River Transport,

(b) River Economy,

(c) River Ecology and Wildlife Habitats,

(d) River Heritage and the Built Environment,

(e) Recreation and Leisure, and

(f) Public Access, Amenity and Open Spaces,

and may contain such other proposals and policies relating to the River Thames as the Mayor may consider appropriate.

(4) The River Thames Strategy shall contain information about:

(a) the measures that are to be taken for the implementation of River Thames Strategy by the Authority, Transport for London, and the London Development Agency,

(b) the measures that other persons or bodies are to be encouraged to take by the Mayor, and

(c) how the strategy complies with the Rio Principles on Sustainable Development.

(5) In preparing or revising the River Thames Strategy the Mayor shall consult:

(a) the Port of London Authority,

(b) the Environment Agency,

(c) each riparian London Borough Council,

(d) the Common Council,

(e) British Waterways, and

(f) any other person or body who the Mayor considers it is appropriate to consult.".

Mr. Hughes: This amendment is even less hopeful of success than the previous one.

Mr. Ottaway: The prospects are about the same.

Mr. Hughes: The hon. Gentleman is probably right.

This is a probing amendment. Clause 33 contains a list of the mayor's strategies. It applies to transport, London development, spatial development, biodiversity, municipal waste, air quality, ambient noise and culture. Our amendment and the new clause seek to add a strategy for the River Thames.

The reason why we have tabled the amendment—people who are interested can see how we amplify it in new clause 13, which sets out all the inter-related parts of the proposal—is that the Thames not only is a hugely important principal item in London, and therefore will be governed by London government, but links many other things. One cannot have an environmental strategy, for example, that does not impinge also on the Thames.

The Thames has suffered from the lack of a coherent strategy pulling together the strands, and we thought that it would be better if we were explicit in providing such a strategy in the Bill. Although I have no doubt that London's government will want to address Thames issues, it would be helpful if those issues were addressed—to use ministerial phraseology—within an overarching or intertwining provision. A specific Thames strategy is not provided anywhere else in the Bill.

Mrs. Theresa May (Maidenhead): Speaking as an hon. Member whose constituency includes one of the fine stretches of the River Thames, I find the hon. Gentleman's suggestion a little difficult to accept. Is he really suggesting that the mayor of London should set the strategy for the whole of the River Thames?

Mr. Hughes: The hon. Lady was spared the Committee stage, when we discussed such issues. Of course I am not suggesting that the London mayor should do that. The River Thames Society and other bodies deal with the Thames, not only in her constituency, but beyond it to the sea. However, London Thames issues unite all the riparian boroughs, and the GLA will have a responsibility to address them. We believe that it would be sensible to have in London a coherent approach in dealing with the matter.

Mr. Ottaway: As we said, ad nauseam, in Committee—if the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) will forgive me—although the River Thames is important, we rather share the Government's view that there is no reason why Thames issues should be singled out for special treatment, and that transport policies and various other strategies will deal with the points made by the Liberal Democrats. So far as I can see, the amendments would only impose additional bureaucratic burdens. The odd thing about the new clause is the Liberal Democrats' proposal that the assembly should not make the decisions on the matter.

Ms Glenda Jackson: The Government fully support the need to protect and enhance the environment and the economy of the Thames. We continue to promote and implement the policies set out in strategic guidance for the River Thames. We are working with the London Planning Advisory Committee to encourage the London boroughs to incorporate those policies in their unitary development plans. We continue to work to promote and maintain use of the river for transporting freight and waste. We are also bringing to fruition the Thames 2000 initiative, which will shortly ensure that public passenger transport services are back on the river.

Amendment No. 64 and new clause 13 propose that the mayor should produce a separate document, known as the River Thames strategy, containing proposals and policies for the use, enhancement and protection of the Thames policy area, and proposing an holistic and integrated approach to the strategically significant features of the Thames. Those are laudable aims, and I wholeheartedly support them. However, I should tell the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) that the proposed provisions are irrelevant, as their aims are already covered by the Bill.

We have made specific provision—in clause 248, for the spatial development strategy—to be able to cover specific parts of London, such as the Thames, in more detail, in the same way as the Thames guidance currently does. The mayor will, therefore, be able to include in the SDS policies addressing, for example, the wide-ranging topics of the river's built and natural environment, its use for leisure and recreation, and its role in passenger and freight transportation.

The Secretary of State's strategic guidance will remain in place until replaced by the SDS. At that point, it will be for the mayor to reproduce, or even to improve upon, current policies on the Thames. However, it is not a matter that we feel needs to be, or even should be, prescribed in the Bill.

Additionally, clause 33—to which the hon. Member for Southwark, North and Bermondsey referred—provides that, when preparing or revising any strategy, the mayor has to have regard to the desirability of promoting and encouraging use of the River Thames. The important role of the Thames will, therefore, be integral to consideration of all mayoral strategies. That will ensure that, for example, the waste strategy considers use of the Thames for transportation, and that the biodiversity plan deals with the importance of public access. Therefore, as the Thames runs through the centre of London, so it—and considerations of sustainability—will run throughout all the mayor's strategies.

[Ms Glenda Jackson]

I hope that I have reassured the House that the very important strategic role of the River Thames is adequately provided for in the Bill, and that the hon. Member for Southwark, North and Bermondsey will see fit to withdraw amendment No. 64.

Mr. Simon Hughes: I am reassured not only by the Government's very good commitment—which, as a London Member, I welcome—to all the initiatives on the Thames that they have taken in the past year, but by the fact that the spatial development strategy will allow a Thames-specific strategy to be included. On that basis, it would be entirely appropriate to let the current provisions remain in the legislation, which we can always, if necessary, amend later.

I therefore beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

7.15 pm

Mr. Raynsford: I beg to move amendment No. 114A, in page 19, line 29, leave out subsection (4) and insert—

'(4) In preparing or revising any strategy mentioned in subsection (1) above, the Mayor shall have regard to—

(a) the principal purposes of the Authority;

(b) the effect which the proposed strategy or revision would have on—

(i) the health of persons in Greater London; and

(ii) the achievement of sustainable development in the United Kingdom; and

(c) the matters specified in subsection (5) below.'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 68, in page 19, line 37, at end insert—

'(aa) national policies,'.

No. 69, in page 19, line 38, leave out 'national policies and'.

Government amendments Nos. 115 to 118.

Mr. Raynsford: The mayor's strategies will provide the framework within which the authority and its functional bodies operate. They will also provide the framework within which, in certain circumstances, the London boroughs, and other public bodies and organisations, operate within London. It is, therefore, vital that the strategies should have regard to the authority's own principal purposes—which we have already debated—and also to wider national and international considerations which will impact on the quality of life of Londoners. The authority cannot, and will not, be operating in a vacuum.

Amendments Nos. 114A and 118, therefore, require the mayor, in preparing or revising any strategy, to have regard to the authority's principal purposes, as stated in new clause 32, and to consider the effect that such strategies would have on the health of Londoners and on the achievement of sustainable development in the United Kingdom.

The mayor is also required to include policies that he or she considers best calculated to promote improvements in the health of people in London, and that would—for reasons that I outlined in the previous debate—contribute to the achievement of sustainable development in the UK.

In both of those cases, and in others—for example, the integrated transport plan—the mayor cannot act in isolation: what happens or is done in London will have an effect elsewhere. The mayor's strategies must, therefore, be consistent with national policies, and with international obligations, when they have been adopted.

I therefore cannot accept amendments Nos. 68 and 69—which were tabled by the hon. Member for Southwark, North and Bermondsey (Mr. Hughes)—which would have the effect of making the mayor have regard to national policies, but not of making him or her produce strategies that were consistent with such national policies. That would be clear nonsense. The GLA, like all other authorities in England, will operate within a framework of national policies and legislation. It simply cannot go its own way and disregard the framework willy-nilly.

Amendment No. 115 replaces the current requirement that the mayor must have regard to the need to ensure that any strategy is consistent with international obligations with a less onerous obligation requiring the mayor to ensure that his or her policies are consistent with international obligations notified to the mayor by the Secretary of State.

International obligations are placed on the state, and it must be for the state to decide if or how those are to be met. It is difficult to see how the mayor could possibly meet the obligation as previously drafted, as a huge international secretariat would be required to establish whether any international obligation was being breached. Amendment No. 115 is, therefore, a common-sense amendment, and I hope that the House will agree it.

Amendments Nos. 116 and 117 are both drafting amendments.

I hope that the House will accept the Government amendments in this group, and that the hon. Member for Southwark, North and Bermondsey will not press amendments Nos. 68 and 69.

Mr. Ottaway: The Opposition agree with the broad thrust of the Minister's comments. However, I think that he should pay attention to the points on strategies made by London First in its briefing on Report. The briefing, after listing the strategies, states:

"the Mayor will have few, or no, powers over some of the agencies directly responsible for the above strategies. There is too much emphasis on process, and not enough on delivery."

That goes to the heart of our central complaint, in Committee, about the provision.

London First continues:

"We look forward to hearing the Government's considered view on the proposed opposition amendment"

on performance indicators and strategies. No such amendment has been tabled, but the Minister should be able to tell us how he expects to monitor the effectiveness of the strategies that have been set out in the Bill.

Mr. Simon Hughes: Amendments Nos. 68 and 69 reflect the difference of view between the Liberal Democrats and the Government on how independent and self-governing London should be. We have always argued for regional government, not citywide government. A regional government for London could reasonably be expected to have regard to national policy without being required to follow such policy. What may be appropriate

across England may not be appropriate in London. We are all bound by the international obligations to which the United Kingdom signs up, but there is no reason why London should not differ from a general strategy for England. We have never been persuaded that there must be conformity and homogeneity. We retain our view, although we accept that the Government like to hang on to everything at the centre, as this short debate has shown.

Mr. Raynsford: The hon. Member for Croydon, South (Mr. Ottaway) quoted from a London First briefing when saying that we were focusing too much on the process and not enough on performance. I have frequent contact with London First and a great deal of respect for it, but I believe that it is wrong in this case. The strategies are the framework for action. We want to ensure that all interested parties have an opportunity to be involved in their preparation. It is vital that business should be fully consulted in the preparation of the strategies that will guide London's economic development policies. We have to get the process right.

Once the strategies are in place, they should guide the process of implementation and ensure that the objectives that we have discussed are met. That covers wealth creation, social development and environmental improvement. The authority is about getting results, improving the quality of life for Londoners and creating a more prosperous and successful city. If we get the strategies right and ensure a framework that allows the mayor and authority to implement them, we shall secure the progress that we want.

I am sorry that we have failed to persuade the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) that his slightly anarchic view of the role of London in relation to the rest of the country is inappropriate. As on many other matters, the Liberal Democrats are out of step with the general thrust of opinion in the country, which wants a good measure of independence and devolved decision making within a framework that secures the national interest. We do not want an anarchic framework in which some parts of the country act on their own with no regard to the impact on other parts of the country. That is not a recipe for good government or the future health and well-being of the United Kingdom. If the hon. Gentleman presses his amendments, I urge the House to vote against them.

Amendment agreed to.

Amendments made: No. 115, in page 19, line 39, leave out 'international obligations' and insert

'with such international obligations as the Secretary of State may notify to the Mayor for the purposes of this paragraph'.

No. 116, in page 19, line 43, leave out from beginning to 'and' in line 44.

No. 117, in page 20, line 3, at end insert—

'(5A) The Mayor—

(a) in considering whether any strategy mentioned in subsection (1) above needs to be revised,

(b) in implementing any such strategy, or

(c) in exercising in relation to the spatial development strategy any of his functions under sections 248 to 256 below,

shall have regard to the matters specified in subsection (5) above.'.

No. 118, in page 20, line 3, at end insert—

'(5B) Where the Mayor prepares, or revises any strategy mentioned in subsection (1) above, he shall include such of the available policies and proposals relating to the subject matter of the strategy as he considers best calculated—

(a) to promote improvements in the health of persons in Greater London, and

(b) to contribute towards the achievement of sustainable development in the United Kingdom,

except to the extent that he considers that any action that would need to be taken by virtue of paragraph (a) or (b) above is not reasonably practicable in all the circumstances of the case.

(5C) In subsection (5B)(a) above, the reference to promoting improvements in health includes a reference to mitigating any detriment to health which would otherwise be occasioned by the strategy or revision.'.—*[Mr. Kevin Hughes.]*

Mr. Raynsford: I beg to move amendment No. 119, in page 20, leave out lines 5 to 9.

Mr. Deputy Speaker: With this, it will be convenient to discuss Government amendments Nos. 123 to 125 and 127.

Mr. Raynsford: The amendments are drafting amendments, bringing together, in clause 305, the interpretation clause, the definition of national policies that appears in several different places in the Bill. I hope that the House will agree with these sensible, but entirely technical, amendments.

Mr. Ottaway: The amendments provide a better structure for the definition of national policies. However, our fundamental objection remains. A national policy to which the mayor must have regard is whatever the Government say it is. It is based not on a decision of the House, but on an arbitrary decision of the Government. Any paper that they lay here counts as policy. The Government laid a transport White Paper a few months ago. I am sure that they will implement many of its provisions, but I suspect that an awful lot of it will not be implemented. It is unacceptable for the mayor to be bound by policies that the Government have no intention of implementing. National policy should be that which has been subject to a resolution of the House, not a Government diktat.

Putting a definition in clause 305 is an improvement on the random dotting around the Bill, but I place on record our disquiet about the use of the words "national policies".

Sir Sydney Chapman: I support what my hon. Friend the Member for Croydon, South (Mr. Ottaway) has said. I may be speaking to a slightly wider agenda, but this is the right time to make my points. Many Londoners believe that there will be considerable devolution of power from the national Government to the mayor and the Greater London assembly. Very few powers, if any, have been devolved from the Secretary of State, but many have been taken from below from the boroughs. The Government claim to be serious about devolving power to Londoners, as they are with the Scottish Parliament and, to a lesser extent, the Welsh Assembly. Many Londoners will be disappointed that the Bill is merely a fig leaf of devolved power with very little substance.

Mr. Raynsford: The Government are not taking powers predominantly from other tiers of local

[Mr. Raynsford]

government and refusing to devolve power from central Government. The main new powers for the Greater London Authority involve substantial devolution from central Government, where responsibility for transport services in London and the Metropolitan police lies. The new authority will be given real powers. That is part of the process of devolution.

Only the Liberal Democrats would normally dissent from the view that such an authority should have regard to national policies. London is part of the country. There is no difference between us and the Conservatives on that. The hon. Member for Croydon, South (Mr. Ottaway) expressed concern about the definition of national polices. Some key areas in which the Conservatives have expressed a lot of interest recently, including planning policy on development and new housing in the green belt, would not be covered by a definition limited to items that had been approved by the House. Planning policy guidance note 3 is being seen as an important document in guiding policy. The more limited definition that the hon. Gentleman would apparently prefer would make it possible for such items to be disregarded. It would not be sensible for the mayor of London not to have regard to new planning policy guidance or other documents issued by the Government that are not subject to approval by the House. I understand the hon. Gentleman's concern, but it is misplaced. In practice—

It being half-past seven o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [30 April].*

Amendment agreed to.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Clause 34

CONSULTATION

Amendment made: No. 120, in page 20, line 23, at end insert—

'(1A) In determining what consultation (if any) is appropriate under subsection (1)(e) above, the bodies which, and persons whom, the Mayor considers consulting must include bodies of each of the descriptions specified in section *(Consultation)*(3) above.'.—*[Mr. Dowd.]*

Clause 49

REVIEW AND INVESTIGATION BY THE ASSEMBLY

Amendments made: No. 121, in page 26, line 16, leave out

'The power of the Assembly under subsection (1) includes'

and insert

'For the purposes of subsection (1) above, the powers of the Assembly include'.

No. 122, in page 26, line 19, at end insert—

'(bb) matters relating to the principal purposes of the Authority.'.—*[Mr. Dowd.]*

New Clause 32

THE GENERAL POWER OF THE AUTHORITY

'.—(1) The Authority shall have power to do anything which it considers will further any one or more of its principal purposes.

(2) Any reference in this Act to the principal purposes of the Authority is a reference to the purposes of—

(a) promoting economic development and wealth creation in Greater London;

(b) promoting social development in Greater London; and

(c) promoting the improvement of the environment in Greater London.

(3) In determining whether or how to exercise the power conferred by subsection (1) above to further any one or more of its principal purposes, the Authority shall have regard to the desirability of so exercising that power as to—

(a) further the remaining principal purpose or purposes, so far as reasonably practicable to do so; and

(b) secure, over a period of time, a reasonable balance between furthering each of its principal purposes.

(4) In determining whether or how to exercise the power conferred by subsection (1) above, the Authority shall have regard to the effect which the proposed exercise of the power would have on—

(a) the health of persons in Greater London; and

(b) the achievement of sustainable development in the United Kingdom.

(5) Where the Authority exercises the power conferred by subsection (1) above, it shall do so in the way which it considers best calculated—

(a) to promote improvements in the health of persons in Greater London, and

(b) to contribute towards the achievement of sustainable development in the United Kingdom,

except to the extent that the Authority considers that any action that would need to be taken by virtue of paragraph (a) or (b) above is not reasonably practicable in all the circumstances of the case.

(6) In subsection (5)(a) above, the reference to promoting improvements in health includes a reference to mitigating any detriment to health which would otherwise be occasioned by the exercise of the power.

(7) The Secretary of State may issue guidance to the Authority concerning the exercise by the Authority of the power conferred by subsection (1) above.

(8) In deciding whether or how to exercise that power, the Authority shall have regard to any guidance issued under subsection (7) above.

(9) Any guidance issued under subsection (7) above shall be published by the Secretary of State in such manner as he considers appropriate.

(10) The functions conferred or imposed on the Authority under or by virtue of this section shall be functions of the Authority which are exercisable by the Mayor acting on behalf of the Authority.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 33

LIMITS OF THE GENERAL POWER

'.—(1) The Authority shall not by virtue of section *(The general power of the Authority)*(1) above incur expenditure in doing anything which may be done by a functional body other than the London Development Agency.

(2) In determining whether to exercise the power conferred by section *(The general power of the Authority)*(1) above, the Authority shall seek to secure that it does not incur expenditure in doing anything which is being done by the London Development Agency.

(3) The Authority shall not by virtue of section *(The general power of the Authority)*(1) above incur expenditure in providing—

(a) any housing,

(b) any education services,

(c) any social services, or

(d) any health services,

in any case where the provision in question may be made by a London borough council, the Common Council or any other public body.

(4) Any reference in subsection (3) above to the provision of housing—

(a) includes a reference to the management of housing; but

(b) does not include a reference to the acquisition by the Authority of existing housing accommodation and the making of that accommodation available on a temporary basis for one or more of the principal purposes of the Authority or for purposes incidental to such a purpose.

(5) Any reference in subsection (3) above to the provision of social services is a reference to the exercise of—

(a) any function under any enactment for the time being specified in Schedule 1 to the Local Authority Social Services Act 1970, or

(b) any function for the time being designated by an order made by the Secretary of State under section 2(2) of that Act as being appropriate for discharge through a local authority's social services committee.

(6) Nothing in subsections (1) to (5) above shall be taken to prevent the Authority incurring expenditure in co-operating with, or facilitating or co-ordinating the activities of, the bodies mentioned in those subsections.

(7) The Secretary of State may by order amending this section make further provision for preventing the Authority from doing by virtue of section *(The general power of the Authority)*(1) above anything—

(a) which may be done by a London borough council, the Common Council or a public body, and

(b) which is specified, or is of a description specified, in the order.

(8) The Secretary of State may by order impose limits on the expenditure which may be incurred by the Authority by virtue of section *(The general power of the Authority)*(1) above.

(9) The Secretary of State may by order amending this section make provision removing or restricting any prohibitions or limitations imposed by this section on what may be done by the Authority by virtue of section *(The general power of the Authority)*(1) above." —*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 34

CONSULTATION

"—(1) The power conferred by section *(The general power of the Authority)*(1) above is exercisable only after consultation with such bodies or persons as the Authority may consider appropriate in the particular case.

(2) In determining what consultation (if any) is appropriate under subsection (1) above, the bodies which, and persons whom, the Authority considers consulting must include—

(a) any London borough council;

(b) the Common Council; and

(c) bodies of each of the descriptions specified in subsection (3) below.

(3) Those descriptions are—

(a) voluntary bodies some or all of whose activities benefit the whole or part of Greater London;

(b) bodies which represent the interests of different racial, ethnic or national groups in Greater London;

(c) bodies which represent the interests of different religious groups in Greater London;

(d) bodies which represent the interests of persons carrying on business in Greater London.

(4) The Authority may make arrangements with—

(a) any London borough council,

(b) the Common Council,

(c) bodies of the descriptions specified in subsection (3) above, and

(d) such other bodies or persons as it may consider appropriate,

for the purpose of facilitating the carrying out by the Authority of consultation pursuant to this section or any other provision of this Act.

(5) The functions conferred on the Authority under or by virtue of this section shall be functions of the Authority which are exercisable by the Mayor acting on behalf of the Authority."— *[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

Clause 86

GLA TRANSPORT GRANT

Mr. Tom Brake (Carshalton and Wallington): I beg to move amendment No. 27, in page 48, line 33, at end insert

'but the amount of the grant shall increase by at least the annual rate of the Retail Price Index in each year beginning from the Authority's second financial year.'.

In briefly outlining the purpose of the amendment, it may be instructive if I look first at the history of London Underground. As we all know, investment in London Underground has gone up and down unpredictably over many years. We now understand that, in 2000, investment in London Underground will stop altogether, according to the Government's spending plans.

The amendment would provide some stability in terms of investment and planning. We must avoid a return to the present situation, where London Underground has a substantial backlog of repairs. Some £7 billion-worth of repairs have built up, and that would not have occurred had a guaranteed level of investment or grant been available to London Transport over a long period.

The House could argue about the appropriate level of resources, and about whether the retail prices index is the right level. However, it cannot be disputed that we need a guaranteed level of funding over a long period to enable London Underground and the bus companies to plan their investment programmes without having to second-guess what might happen in four or five years.

No doubt the Government are taking into account the revenues that will be accrued through congestion charges and workplace car parking charges. However, those sources of revenue are extremely unpredictable. In theory, if congestion charges and workplace car parking charges do their job, one would expect that, in five, 10 or 15 years—when we have a completely integrated, comfortable and safe public transport system—no-one will be driving their cars at all, and the revenue from such charges will dry up. That reinforces the need for a level of funding to be provided over a long period, which is the purpose of the amendment.

Ms Glenda Jackson: The Government amendments in this group change in various ways the financial

[Ms Glenda Jackson]

arrangements for the GLA in part III of the Bill. I trust that it will be in order, Mr. Deputy Speaker, for me to outline briefly our proposals with regard to concessionary fares within London. That is an issue of particular importance to the elderly and the disabled.

Mr. Simon Hughes: On a point of order, Mr. Deputy Speaker. I think that the Minister is speaking to the previous group of amendments. Amendment No. 27 is about the amount of the grant. If she is not, I apologise, but her remarks do not appear to relate to the one and only amendment that has been selected.

Mr. Deputy Speaker: That is not a point of order for the Chair. No doubt the Minister will have heard what the hon. Gentleman has said.

Ms Jackson: Thank you, Mr. Deputy Speaker. I am aware that the previous group of amendments was not spoken to, and I am aware of the group to which we are speaking. It seems appropriate in the circumstances briefly to detail our proposals with regard to concessionary fares for the elderly and disabled people in London, as we are dealing with finance for Transport for London. I will touch on the amendment that has been tabled by the hon. Member for Carshalton and Wallington (Mr. Brake) later.

The present legislative arrangements for travel concessions are provided by the London boroughs, and have been in place for almost 15 years. Clearly, the Bill must make provision for those travel concessions to continue. We have given careful consideration to a number of proposals for improving the scheme. As a result, we will table amendments in the other place that will update the scheme, thus helping to maintain its stability.

For the statutory reserve scheme, the start and finish times will be brought into line with those currently in the voluntary scheme. Arrangements for determining the costs of the reserve scheme will be clarified. We are also planning to give the boroughs powers to set up a statutory joint committee dealing with concessionary fares, which will have the option of taking decisions on the basis of qualified majority voting.

Mr. Simon Hughes: On a point of order, Mr. Deputy Speaker. This is clearly the speech for the previous group of amendments, which the guillotine prevented us from debating. We are happy—if you will allow it, Mr. Deputy Speaker—to respond to the Minister's remarks. I hope that if the Minister is having the latitude to speak on what is clearly the previous group of amendments, the same latitude will be afforded to others, and we will not just have the Minister trying to justify the Government's difficult-to-justify position without my hon. Friend the Member for Carshalton and Wallington (Mr. Brake) putting his case.

Mr. Deputy Speaker: The Minister stated that she craved the indulgence of the House to refer briefly to wider issues. The Minister ought now to concentrate her remarks on amendment No. 27, as she has gone as far as she ought to on other matters.

Ms Jackson: I am grateful for your advice, Mr. Deputy Speaker.

Financial arrangements are tailored to the model of London governance for which the Bill provides. There will be a strong executive mayor and an assembly to provide scrutiny. There will be four new functional bodies, dedicated to delivering key Londonwide services. Transport for London and the London development agency will be separate corporate bodies, directly accountable to the mayor, who will set their budgets and strategies and appoint their boards. The Metropolitan police authority and the London fire and emergency planning authority will be authorities in their own right. The mayor will set their budgets and appoint assembly members who will form the majority of members of each authority.

The financial framework in part III provides the mayor with flexibility to allocate resources in line with mayoral priorities. It ensures that the GLA and each of the functional bodies have responsibility for managing their own financial affairs. It makes it easier for Londoners to understand how they contribute, and it fulfils our commitment that the GLA would be subject to the local government finance requirements with modifications needed to reflect its undoubtedly unique role.

The GLA transport grant will draw together money that the Government now pay to all Transport for London's predecessor bodies and to the London boroughs through transport policies and programmes. This will provide the baseline for the first year's budget. After the first year, the Secretary of State will determine the amount of grant after consulting with the mayor. In other words, they will negotiate.

The mayor will make clear what level of resources central Government must provide to deliver the transport strategy and what the effect of inflation will be. The Secretary of State will consider the mayor's proposals against the demands of the rest of the country. That is the right way for the level of transport grant to be determined. Increases must be properly justified.

Amendment No. 27 would be entirely counter-productive. It could deter the Secretary of State from making a one-off additional payment to the mayor; for example, to provide funding for a significant project. If the amendment were accepted, what Secretary of State would be prepared ever to provide additional amounts if the Government had to continue and increase those large sums long after the need for them had passed? It is hardly an incentive to increase resources, and it is most certainly not a recipe for best value. The Government have made available an extra £1.8 billion over the next three years to deliver our integrated transport strategy. We need, and will take, no lessons from others about the importance of proper funding for transport. I therefore ask the hon. Gentleman to withdraw the amendment.

Mr. Brake: I am afraid that the Minister failed to respond to our principal concern, that the GLA should be provided with a guaranteed level of funding over the time frame that is required for investment and planning purposes. With the Government's proposals, the uncertainties will remain.

I am not at all satisfied with the Minister's response, so we will press the amendment to a vote.

Question put, That the amendment be made:—

The House divided: Ayes 19, Noes 285.

Division No. 163] **[7.40 pm**

AYES

Allan, Richard
Ballard, Jackie
Beith, Rt Hon A J
Brake, Tom
Brand, Dr Peter
Breed, Colin
Burnett, John
Cable, Dr Vincent
Campbell, Rt Hon Menzies *(NE Fife)*
Davey, Edward *(Kingston)*
Heath, David *(Somerton & Frome)*
Hughes, Simon *(Southwark N)*
Keetch, Paul
Kirkwood, Archy
Llwyd, Elfyn
Russell, Bob *(Colchester)*
Sanders, Adrian
Taylor, Matthew *(Truro)*
Willis, Phil

Tellers for the Ayes:
Mr. Paul Tyler and
Dr. Jenny Tonge.

NOES

Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, Kevin
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Bermingham, Gerald
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, Rt Hon David
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brinton, Mrs Helen
Buck, Ms Karen
Burden, Richard
Byers, Rt Hon Stephen
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Cook, Frank *(Stockton N)*
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunliffe, Lawrence
Cunningham, Jim *(Cov'try S)*
Darling, Rt Hon Alistair
Darvill, Keith
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Doran, Frank
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff
Etherington, Bill
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Lorna
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Fyfe, Maria
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grocott, Bruce
Grogan, John
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kelly, Ms Ruth
Kemp, Fraser
Khabra, Piara S
Kidney, David
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
Love, Andrew
McAvoy, Thomas
McCabe, Steve
McCafferty, Ms Chris
McDonagh, Siobhain
McDonnell, John
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Rapson, Syd
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Salter, Martin
Sawford, Phil
Sheerman, Barry
Sheldon, Rt Hon Robert
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Snape, Peter
Soley, Clive
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Steinberg, Gerry
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Stott, Roger
Straw, Rt Hon Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen

Tipping, Paddy
Todd, Mark
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Worthington, Tony
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. David Jamieson and Jane Kennedy.

Question accordingly negatived.

New Clause 7

LIMITATION OF PRECEPTS

'Chapter IVA of the Local Government Finance Act 1992 (limitation of council tax and precepts), as inserted by Schedule 1 to the Local Government Act 1999, shall not apply to the Greater London Authority.'.—*[Mr. Simon Hughes.]*

Brought up, and read the First time.

Mr. Simon Hughes: I beg to move, That the clause be read a Second time.

New clause 7 would exclude the Greater London Authority from rate capping and council tax capping. It would give the GLA the freedom to which local government aspires. The Government have moved some way towards that freedom, but they have not yet given it to local government.

In Committee and on Second Reading, we debated what sort of beast the GLA will be. We had always understood—and it was the Government's position before the election—that London would have regional government. That has shifted over the past two years to citywide government and local government. Ministers have described the GLA in various ways, but it is a creature all to itself. We are not against that, except that we feel that it should be a regional government creature, not a local government creature. However it is defined, it is clearly not the local authority delivering first-tier services in London, because there are 33 of those—32 boroughs and the City of London—and they will remain.

If the GLA is to match the aspirations of the people of London, if we want the mayor and the assembly not to disappoint people and if we want the hype that will surround the GLA's election next year to be justified, we must give it as much financial freedom as possible. There were only ever two options for doing that. The first was to allow a variation in the tax that could be collected in London. That power has been given to the Scottish Parliament, although the Labour party has promised that it would not use that power initially. The Welsh Assembly has not been given that power. We argued that London's government should be given tax-varying powers—up or down—but the Government regard that as too great a concession and too great a degree of devolution. No doubt they did not want to lose control of that issue.

The second option is contained in new clause 7. It is a more modest proposal and it would at least allow the GLA to decide how much money it sought from Londoners without having to ask the Government's permission. One of the themes of debates on the Bill has been how much the Secretary of State will have control over everything that the GLA will do. We wrung a concession out of the Government in Committee which will mean that traffic wardens' uniforms will not be subject to the agreement of the Secretary of State. That was a great concession that London could be trusted to decide such matters on its own.

Sadly, when it comes to the big decisions, the Government wish to retain hold of the apron strings. We hope that the Government will take this opportunity to give Londoners more of the powers they want for their new authority next year. The Government should be generous and allow London to decide on London's finances.

Mr. Ottaway: We do not support new clause 7, although not for the reasons that the Minister might expect. The Conservatives believe that it is a desirable long-term objective to get rid of rate capping.

Mr. Hughes: But not yet.

Mr. Ottaway: We happen not to be in office at the moment, so we could not get rid of it.

Mr. John Smith (Vale of Glamorgan): Not for a long time.

Mr. Ottaway: The hon. Gentleman should not count his chickens.

It is difficult to get rid of rate capping in isolation. It has to be done in conjunction with other reforms to ensure that local government expenditure does not run out of control. There were many good reasons for introducing rate capping. Lord Callaghan said in the 1970s that the party was over for local government spending, and the rate-capping regime followed.

Although the proposal in new clause 7 is desirable, we will be unable to support the Liberal Democrats on it. One cannot take one authority in isolation and exempt it. If rate capping is to be abolished, it has to be for all local authorities, equally and fairly. We share the Liberal Democrats, sentiments about rate capping. Indeed, I suspect getting rid of rate capping is a common objective. However, it is many years since we had a Liberal Government and the harsh realities of office are such that it is a bigger job than they think. We agree with the principle, but we are unable to support the new clause.

Mr. Raynsford: We have had a revealing debate. We heard further evidence of the Tory party U-turn process, in which it is dissociating itself from what it stood for in government, and we had another example of the Liberal Democrat nirvana in which everything is possible if we would only give as much power as possible to devolved assemblies and let them do what they want with no regard to anything else that is happening. We reject both approaches.

We made it clear in the White Paper that the GLA would be subject to the same arrangements for limiting

council tax increases as local authorities generally. The GLA is sui generis a citywide authority, but it will operate within the local government ambit and its revenues will come from traditional local government sources—precepts, non-domestic rates and Government grant. Therefore, it should be subject to exactly the same disciplines as other local government authorities, for the reasons that the hon. Member for Croydon, South (Mr. Ottaway) rightly stressed.

Replacing crude and universal capping with reserve powers for limiting council tax and precepts fulfils a manifesto commitment given by the Government. The reserve powers will be far more flexible than the system put in place by the previous Administration. The Government have a duty to protect local tax payers and must have those reserve powers, but we have made it clear that we hope that we will not have to use them—for the GLA or for any local authority.

New clause 7 is not only unacceptable; it is irresponsible and I urge the hon. Gentleman to withdraw it.

Mr. Simon Hughes: I shall remind Ministers of that when they get rid of the Prescott version of capping, as they say they intend to do. We will continue to press for the walls of central Government to crumble before devolution until we have succeeded. It seems that the Government will not give in tonight, but we will return to the issue. Reluctantly, I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

8 pm

Clause 125

DIRECTION BY THE SECRETARY OF STATE

Amendments made: No. 123, in page 67, line 14, leave out 'transport policy' and insert 'policies relating to transport'.

No. 124, in page 67, line 21, leave out subsection (3).—*[Ms Glenda Jackson.]*

Schedule 8

TRANSPORT FOR LONDON

Ms Glenda Jackson: I beg to move amendment No. 139, in page 188, line 36, leave out paragraph (c) and insert—

'(c) a Member of the House of Lords,'.

Schedule 8 disqualifies politicians, including peers, from membership of the Transport for London board. However, as the House of Lords Bill will disqualify hereditary peers from the House of Lords, they will no longer be politicians and should therefore not be excluded from membership of the TfL Board. This amendment would exclude Members of the House of Lords from the TfL board, rather than peers in general. I commend it to the House.

Amendment agreed to.

Clause 165

RAILWAYS

Mr. Brake: I beg to move amendment No. 34, in page 85, line 36, at end insert—

'(6A) The Franchising Director shall consult the Mayor before proposing any changes to rail services which will affect the level of provision of rail services in Greater London.'.

The amendment would give the mayor greater powers—or at least a greater say—over rail services in London. I hope that all hon. Members agree that London needs an integrated transport strategy. Such a policy should include the tube, buses and trains. Regrettably, rail at present is missing from the integrated transport strategy.

The mayor will have control over buses. He or she eventually will have a degree of influence over the tube. If the Government's public-private partnership proposals collapse, the mayor may have much greater control over the tube system. However, the rail system remains outside the mayor's grasp.

That is very bad news for commuters. Today's briefing from the Save Our Railways campaign identifies 91 London centres that will miss out because the mayor does not have control over rail. I believe that the list should contain 94 such centres, the three missing from the original list being Beddington, Wallington and Hackbridge. All such centres will miss out because rail services will not be integrated fully into the mayor's powers or responsibilities. The amendment would enable the mayor to have a complete strategy for controlling all aspects of transport in London, and not leave out the rail service, which is a major people-mover.

Ms Glenda Jackson: I trust that I will be able to reassure the hon. Gentleman about the mayor's powers in connection with surface rail and about the underground. I assure him that there is no danger of the public-private partnership collapsing, and the mayoral power will be complete when the underground transfers into Transport for London, after the successful completion of the public-private partnership.

Amendment No. 34 would place a duty on the franchising director to consult the mayor before proposing any changes to rail services which will affect the level of provision of rail services in Greater London.

Again, however, there is no need for this amendment. I hope that the hon. Member for Carshalton and Wallington (Mr. Brake) will find that consoling. As I made clear in Standing Committee, we intend to bring forward an amendment at a later stage that will place a duty on the franchising director to consult the mayor on the level of provision of services within London. Our intention is that the duty on the franchising director will be similar to that currently imposed on him in respect of London Transport by section 31A of the London Regional Transport Act 1984. This duty will be in addition to the duty of co-operation placed on the franchising director and Transport for London by clause 137.

I should also like to say a few words about how we intend that the Bill should deal with the mayor's powers in respect of the national rail network. There was substantial debate in Standing Committee of our proposals in this area. Some hon. Members expressed concern—and we

[Ms Glenda Jackson]

have heard it again today—that the mayor's rail powers needed to be further strengthened. In the event, the Committee endorsed the principle behind the relevant clauses and decided that they did not require amendment at that stage. However, I indicated to the Committee that the Government would consider bringing forward some amendments at a later stage in particular areas.

I am now in a position to indicate to the House the nature of the amendments that we envisage. Although it has not been possible to prepare those amendments for consideration on Report, we intend to table the amendments for consideration in the other place.

The aim of this package of amendments will be to fine-tune the balance between the real powers that the mayor will have, and the wider national objectives of the franchising director and his successor, the Strategic Rail Authority. The principle to which we are adhering is that, although the mayor should have a significant degree of influence over London's railways, that influence should complement and not detract from the need for the Strategic Rail Authority to take an overall strategic view and to address the key issues facing Britain's railways.

I should make it clear that this Bill, of necessity, refers to the franchising director rather than the Strategic Rail Authority. Subject to parliamentary approval, the functions given to the franchising director by the Bill will eventually be inherited by the Strategic Rail Authority.

I shall turn to the specific amendments that we propose. First, we intend to bring forward an amendment at a later stage that will provide for the mayor to issue instructions as well as guidance to the franchising director, subject to the provisions of subsection (5) of clause 165. That was an issue to which the hon. Member for Southwark, North and Bermondsey (Mr. Hughes), who unfortunately is not in his place, drew attention during the Standing Committee's consideration of the clauses on railways, although his suggestion was that the mayor should be able to issue directions to the franchising director, rather than simply guidance.

The amendment that we propose is designed to bring the mayor's powers more closely into line with those of the Secretary of State who, by virtue of section 5 of the Railways Act 1993, is able to issue both instructions and guidance to the franchising director. The 1993 Act does not empower the Secretary of State to issue directions to the franchising director, and so I hope that the hon. Members for Southwark, North and Bermondsey and for Carshalton and Wallington will accept that our formulation is more appropriate.

Secondly, we intend to bring forward an amendment at a later stage to make it clear that the franchising director is to implement the mayor's instructions and guidance

"in the manner best calculated to give effect to the instructions and guidance".

This would replace the Bill's current wording, which simply requires the franchising director to implement the mayor's guidance. This would be a technical amendment, again designed to harmonise the Bill's wording with that in section 5(1) of the Railways Act 1993, imposing a duty on the franchising director similar to that which he is currently under in respect of instructions and guidance issued to him by the Secretary of State.

Thirdly, we shall table an amendment to the effect that the mayor's instructions and guidance to the franchising director shall include instructions in respect of additional railway services to be procured by the franchising director on behalf of the authority. That is so that the franchising director can ensure that the best use is made of scarce track capacity on the London rail network, and can advise the mayor on the best way of meeting his or her requirements for additional services.

Fourthly, we shall table an amendment to clarify the position where there is a conflict between the instructions and guidance issued by the mayor and those issued by the Secretary of State. The amendment will make it clear that, while it is for the Secretary of State to set the overall strategic policy for the railways in Britain, it will be open to the mayor to issue instructions and guidance on operational matters which impact directly on users of rail services in London.

We shall also table an amendment to deal with the procurement of additional rail services and facilities by London local authorities other than the Greater London Authority. We intend to table an amendment in the Lords to give the mayor the power to promote new network improvements and to comment on or oppose proposals advanced by others. That will be done by giving the mayor the ability to promote and oppose local Bills in Parliament and orders under the Transport and Works Act 1992.

We believe that that package of amendments will more fully define the relationship between the mayor and the franchising director and give each of them a clear framework of co-operation within which to work. As we made clear in the London White Paper, the franchising director and the Strategic Rail Authority will retain the final say over rail, but the mayor will have a crucial role to play in improving London's rail services and will have the powers needed to make a difference. In that light, I trust that the hon. Member for Carshalton and Wallington will withdraw the amendment.

Mr. Wilkinson: I apologise for intervening after missing the speech by the hon. Member for Carshalton and Wallington (Mr. Brake). However, the Minister's statement is of such significance that it cannot go unanswered. She made a series of pronouncements that should be incorporated in new clauses. She said that references to the national rail network in this part of the Bill will in future often relate to the Strategic Rail Authority. The mayoralty will have powers beyond guidance to the franchising director in the form of instructions. The mayoralty will have a strategic responsibility vis-a-vis the railways in London that was not envisaged when the Bill was published. The changes were not mooted by the Government on Second Reading or in Committee.

I greatly welcome the new provisions because if the Greater London Authority is to be genuinely strategic, one of the most important strategic functions is the co-ordination and rationalisation of the provision of public transport in the capital. It made little sense for the mayoralty to be able to issue guidance to the franchising director but to be unable to make dispositions as to the facilities and resources necessary to bring about the co-ordination that is central to the mayoralty's role.

I hope that their Lordships will give those matters the closest scrutiny. I welcome the outline of the new provisions but several questions are begged by the

Minister's observations. As she admitted, there could be conflict between the guidance to be issued by the Secretary of State and the mayoralty to the franchising director. There will be a mechanism to resolve that conflict, but Londoners will want the mayor and his authority to have the predominant power to bring about the rationalisation of public transport facilities in the railway sector that the Bill was intended to achieve and that it has hitherto lacked the mechanism to bring about. The Government are moving in the right direction, but I wish that they had spelt it out much more clearly a lot earlier.

8.15 pm

Mr. Brake: I thank the Minister for her statement, which is of some significance. I welcome her announcement that the Government will table amendments in the other place. It is important that they fine-tune arrangements between the mayor and the franchising director and between the mayor and the Strategic Rail Authority. I hope that that will shift the balance of power away from the franchising director towards the mayor, as I think the Minister said would happen. The views of the mayor and of Londoners should be paramount in discussing London rail services. I welcome the fact that the mayor will be able to promote new services. In those circumstances, I shall not press the amendment.

Ms Glenda Jackson: I wish briefly to respond to the hon. Member for Ruislip-Northwood (Mr. Wilkinson). In Committee, I said:

"We intend to table an amendment at a later stage that will place a duty on the franchising director".—[*Official Report, Standing Committee A*, 23 February 1999; c. 743.]

In some of our lengthy and substantial debates in Committee, I said that the Government were considering tabling amendments later on particular matters. That is what we have done. I am grateful for the hon. Gentleman's response to what I said. I am grateful to the hon. Member for Carshalton and Wallington (Mr. Brake) for welcoming the Government's proposals and for his commitment to withdraw the amendment.

Mr. Brake: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 199

PROVISIONS CONSEQUENT ON ALTERATION OF METROPOLITAN POLICE DISTRICT

Mr. Edward Davey (Kingston and Surbiton): I beg to move amendment No. 67, in page 104, line 29, leave out clause 199.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 66, in clause 239, page 129, line 24, after '(1)', insert

'Subject to subsection (1A) and (1B) below,'.

No. 65, in page 129, line 26, at end insert—

'(1A) With respect to the Acts shown in subsection (1B) below, the Metropolitan Police district is defined by the area shown in (1) above and the following areas:

(a) in the county of Essex, in the district of Epping Forest—
the area of the former urban district of Chigwell
the parish of Waltham Abbey;

(b) in the county of Hertfordshire—
in the borough of Broxbourne, the area of the former urban district of Cheshunt
the district of Hertsmere
in the district of Welwyn Hatfield, the parish of Northaw;

(c) in the county of Surrey—
in the borough of Elmbridge, the area of the former urban district of Esher
the boroughs of Epsom and Ewell and Spelthorne
in the district of Reigate and Banstead, the area of the former district of Banstead.

(1B) Subsection (1A) above relates to the following Acts:
(i) The London Hackney Carriages Act 1843;
(ii) The London Hackney Carriages Act 1850;
(iii) The London Hackney Carriages Act 1853;
(iv) The London Hackney Carriages (No. 2) Act 1853;
(v) The Metropolitan Public Carriage Act 1869 (in so far as it applies to London Hackney Carriages);
(vi) The London Cab and Stage Carriage Act 1907;
(vii) The London Cab Act 1968;
(viii) The Transport Act 1985 (in so far as it applies to London Hackney Carriages);
(ix) The Private Hire Vehicles (London) Act 1998.'.

Mr. Davey: The amendments reflect a debate in Committee that did not focus on amendments that would have put into law the issues with which we were concerned. The Government want to make the boundaries of the Metropolitan police authority coterminous with those of the Greater London Authority. That makes sense for many aspects of its operation. It will help it to be more accountable. The establishment of the Metropolitan police authority in many ways requires the two sets of boundaries to be as one.

As with any boundary change, anomalies are thrown up. Our amendments seek to put right such an anomaly. They deal with the effect of the boundary change on taxi drivers who are regulated by the Metropolitan police authority under the legislation listed in the amendment. We believe that reducing the Metropolitan police district to being coterminous with the GLA will denude the market of many cab drivers, particularly those who ply in the suburbs. By fiat, the livelihoods of many of my constituents will be made more difficult because their lawful business will suffer from the loss of some customers.

We make no apologies for arguing again on Report on behalf of those constituents. They may support the Greater London Authority and the Metropolitan police authority coming under democratic control, but they feel that they are being hard done by.

There seems to be no problem in retaining the current Metropolitan district simply for the purpose of regulating London cabs. As we pointed out in Standing Committee, that creates no real problem for the regulatory bodies—the police. I discussed with officers from the Metropolitan police and from the Surrey constabulary how such a

[Mr. Davey]

policy could be implemented. It was clear that it would create no problems for them on the ground. They would be able to distinguish who should take responsibility in which areas and to whom they would have to report any transgressions of the regulations. As there are no practical difficulties associated with the proposal, one has to ask why anybody should be opposed to it. I can see no particular reason, unless people with over-tidy minds need to ensure that each boundary looks nice on the map.

The Minister may recall that we had an interesting debate in Standing Committee, when I pressed her on several points during her response to my argument. At one stage, she seemed to suggest that my point was not valid because taxi drivers could be licensed by the new licensing authorities—for example, in my neck of the woods, the Elmbridge district council—and could also be licensed by the Metropolitan police authority. Taxi drivers could continue to earn their living in both taxi areas. I picked the Minister up on that point because it was news to me.

Cab drivers who are members of the Kingston and Surbiton cab drivers association have told me that it is most unusual to be able to be licensed by two authorities and that that is not allowed by the taxi regulatory authorities in many parts of the country. However, the Minister was clear on that point:

"It will be entirely possible for cab drivers to drive a black cab if they hold a licence within the GLA and maintain the requirements for licensing. However, should they wish to drive a cab in districts outside the GLA boundary and outside what will be the Metropolitan police district boundary, they will have to obtain the requisite licence from the requisite local authority."—[*Official Report, Standing Committee A*, 2 March 1999; c. 925.]

The Minister made it clear that dual licensing was possible. When I pressed her on how that would be implemented practically, she clarified her remarks by saying that the licence was related to the vehicle and not to the owner. Therefore, if, in order to maintain their standard of living, drivers took up her suggestion, they would have to operate two cabs. They would need one for the GLA area and one for the area outside the GLA boundaries. One needs only to reflect on that proposition for one minute to see how impractical it would be. Not only would there be the cost of purchasing and maintaining two separate vehicles: there would be different health and vehicle checks every year under different regulations, and that would be extremely costly.

The solution offered by the Minister in Committee is not a practical answer to people whose livelihoods are affected by the proposal that we are debating. If the Minister can offer another alternative to protect the living of those cab drivers, we should be glad to discuss it. Our amendments would provide a solution that works within the remit of the current legislation and would ensure that it was clear in statute that the anomalous boundary distinction of keeping the current Metropolitan police district for cab drivers would apply only to cab drivers. It would not affect other aspects of the day-to-day duties of the Metropolitan police.

My hon. Friends and I believe that the amendments provide a constructive way forward that is more practical than the solution of dual licensing offered by the Minister in Standing Committee. I hope that the Minister has reflected on the matter; we are keen that she should give us a positive answer.

Ms Glenda Jackson: Before I get to the meat of the amendments tabled by the hon. Member for Kingston and Surbiton (Mr. Davey), I point out to him that the proposals that he has presented to the House as being helpful would in fact lead to a situation in which there would be no requirement for any licensing at all. I find it very odd that a member of the Liberal Democrat party, whose members constantly urge that power be devolved to local authorities, should present a proposal whereby local authorities would have no power whatever over allowing taxis to ply within their own areas, on their own streets and carrying their own taxpayers.

I welcome the hon. Gentleman's opening remarks as to the good sense that he and Members of his party perceived in the fact that the boundaries of the GLA and the new Metropolitan police district would be made coterminous. However, I regret to have to tell him that amendments Nos. 65, 66 and 67 make no sense at all. They would retain, for the purposes of taxi and minicab licensing only, the current Metropolitan police district. That would mean that taxis and minicabs operating in district council areas outside Greater London, but within the current Metropolitan police district, would be subject to regulation by Transport for London rather than the relevant district councils. However, the boundary would be notional; the Metropolitan police would have no role whatever.

Our White Paper, "A Mayor and Assembly for London", stated:

"Responsibility for taxi and minicab licensing in councils' areas outside greater London, but partly or wholly within the Metropolitan Police District (MPD), will be transferred to the local District Council."

Even before the decision was taken—one that the hon. Gentleman and his party consider makes good sense—it has always been the policy to align the Metropolitan police district with Greater London. Districts outside London would regulate taxis and minicabs in their areas. In seeking to extend Transport for London's remit beyond Greater London, especially by making Transport for London responsible for taxi and minicab licensing outside Greater London, the amendments go against that principle.

Regardless of the anecdotal evidence that the hon. Gentleman has presented to the House of the approach of the Surrey police to his proposals, they would cause untold confusion by implying that the Metropolitan police—seemingly linked to an area called the Metropolitan police district—would have a role in regulating taxis and minicabs, when, of course, they would have no such role. The effect of the amendment would be a patchwork quilt of different boundaries and different responsibilities. I argue that that is a recipe for total and unmitigated confusion.

However, the hon. Gentleman did state concerns that have been expressed to him by some of his constituents who are suburban taxi drivers, to the effect that they might be adversely affected by changes to the Metropolitan police district which they perceive as being likely to cause a reduction in their livelihoods. As I said in Committee, and as I now repeat in the House, those concerns are unfounded.

Let us take the example of a taxi driver who currently plies for hire in Epsom. From 1 April 2000, when the MPD boundary is scheduled to change, the taxi driver in question may apply to Epsom and Ewell district council, which the Bill will make a single taxi-licensing area, for a licence to ply for hire in that district; or that individual may choose to ply for hire in Greater London, thus carrying on with his or her current licence issued by the Public Carriage Office. That licence will remain valid, giving the right to ply for hire in all or part of Greater London, depending on whether it is an all-London licence, as most are, or a licence for one of the suburban sectors.

Moreover, following consultation with the London Taxi Board, and the Metropolitan police service, the Public Carriage Office has revised suburban taxi sectors. That revision is designed not only to align the sectors more closely with borough boundaries, but to allow drivers a wider area than that which would have been available to them once their current area had contracted. The arrangements are outlined in PCO notice 5/99, dated 31 March 1999. I will arrange for a copy of the notice to be placed in the Library and furnish a copy to all members of the Standing Committee. In respect of the taxi and minicab licensing responsibilities of the eight district councils moving outside the MPD, in September 1998 representatives from each council attended a PCO-organised seminar that addressed the MPD changes. Most recently, my Department has written to each of those district councils in some detail about the transitional arrangements.

8.30 pm

The point to stress in conclusion is that all existing licences granted by the PCO remain valid. If drivers want to apply separately for a licence from a fringe district, they are free to do so. I hope that the House, the hon. Member for Kingston and Surbiton and his constituents will take reassurance from that, and that the hon. Gentleman will withdraw his amendment.

Mr. Davey: I am rather disappointed by the Minister's reply. Her assertion that the cab drivers in my constituency will not be affected and that their livelihoods will be protected by the sectoral review she describes is not borne out by my conversations with them. They are convinced that they will be hit in the pocket by the boundary changes. They are well aware of the sectoral review inside the GLA, but they are convinced that they will lose some of the rich pickings to which they currently have access. The Minister mentioned Epsom, but in Standing Committee I explained that cab drivers are concerned about the business that they will lose there. Their options are either to stay there and be regulated by Epsom and Ewell district council, or to go to Wimbledon and compete with the many other drivers who currently ply the cab rank outside Wimbledon station. The cab drivers are not convinced that they will not be severely hit by the Government's policy.

The Minister appears to suggest that our policy will be difficult to implement, because it will create a patchwork throughout the capital and its bordering districts. However, there is already a patchwork, because we currently have a rather bizarre historical arrangement under which there are several areas just outside the London boroughs where cab drivers are able to ply. Therefore, in practical terms, it makes no difference keeping those boundaries.

The Minister also suggests that the amendment would cause confusion to the police, but the contrary is true: the police in suburban London see no problems with administering what the Minister calls notional boundaries. I should point out that there appear to me to be notional boundaries already, and that the only question is how one organises the jurisdictions to enforce the regulations.

I am not convinced by the Minister's response, and I intend to go back to my constituents and tell them that I voiced their concerns in Standing Committee and on Report, and that we proposed alternatives to the Government's arrangements, but that the Government have not seen fit to accept our proposals. My constituents will be extremely disappointed, if not angry. I am sure that their retort will be to encourage me to ask my noble Friends in another place to pursue the matter. I hope that, in the meantime, Ministers will talk to some of their hon. Friends who have some knowledge of the cab business—no doubt some still have friends in the cab trade who will be well aware of the impact of the changes.

Let me take the Minister up on one point: she is pleased that my views are in line with the Government's policy of establishing a Metropolitan police authority and democratising London's police force. Liberal Democrats have argued for such policies for many years and we are glad that the Labour party has at last come round to our views. However, rather than continuing to stand here making party political points, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

New Clause 10

SMOKING IN LONDON TAXIS AND PRIVATE HIRE VEHICLES

'(1) A person shall not smoke or carry lighted tobacco in a taxi or private hire vehicle where passengers are by means of a prescribed notice informed that smoking is prohibited.

(2) For the purposes of this section, "prescribed notice" means a notice or marking of such type and displayed in or on a taxi or private hire vehicle in such manner as the Secretary of State may by order prescribe.

(3) A passenger who contravenes subsection (1) may be required by the driver to leave a taxi or private hire vehicle and, where the passenger refuses to comply with that requirement, may be removed by the driver or, on the request of the driver, by a constable.

(4) A person who—

(a) contravenes subsection (1),

(b) refuses to comply with a requirement made in accordance with subsection (3), or

(c) resists lawful removal in accordance with that subsection,

is guilty of an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(5) Notwithstanding the provisions of any enactment requiring certain hirings to be accepted, it shall be lawful for the driver of a taxi or private hire vehicle bearing a prescribed notice to refuse to carry a passenger who is smoking or carrying lighted tobacco.

(6) In this section—

"private hire vehicle" means a vehicle licensed under the Private Hire Vehicles (London) Act 1998; and

"taxi" means a hackney carriage licensed under section 6 of the Metropolitan Public Carriage Act 1869.'.—*[Mr. Brake.]*

Brought up, and read the First time.

Mr. Brake: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker (Sir Alan Haselhurst): With this, it will be convenient to discuss new clause 11—*Smoking in London taxis*—

"(1) A person shall not smoke or carry lighted tobacco in a taxi where passengers are by means of a prescribed notice informed that smoking is prohibited.

(2) For the purposes of this section, "prescribed notice" means a notice or marking of such type and displayed in or on a taxi in such manner as the Secretary of State may by order prescribe.

(3) A passenger who contravenes subsection (1) may be required by the driver to leave a taxi and, where the passenger refuses to comply with that requirement, may be removed by the driver or, on the request of the driver, by a constable.

(4) A person who—

(a) contravenes subsection (1),

(b) refuses to comply with a requirement made in accordance with subsection (3), or

(c) resists lawful removal in accordance with that subsection,

is guilty of an offence and is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(5) Notwithstanding the provisions of any enactment requiring certain hirings to be accepted, it shall be lawful for the driver of a taxi bearing a prescribed notice to refuse to carry a passenger who is smoking or carrying lighted tobacco.

(6) In this section "taxi" means a hackney carriage licensed under section 6 of the Metropolitan Public Carriage Act 1869.".

Mr. Brake: Hon. Members will no doubt ask, "Why is this amendment required?"

Mr. Bercow: It is a new clause.

Mr. Brake: Hon. Members will no doubt ask, "Why is this new clause required?" The answer is that although cab drivers can choose to designate their cabs smoking or non-smoking vehicles, they have difficulty in enforcing the no smoking rule at present. Passengers are well aware that enforcement is impossible, and occasionally point that out to cab drivers who ask them not to smoke. I have met the Minister and I thank her for finding the time to discuss this important subject. I welcome the fact that she has restated her support, in principle, for a ban on smoking in cabs that are designated non-smoking vehicles by their drivers.

The timing of this debate could not be more appropriate, as I understand that the Secretary of State for Health spoke today about the importance of banning tobacco advertising. However, the right hon. Gentleman could be sending mixed messages, as he recently presented the rugby league Silk Cut trophy at Wembley.

This new clause is about health and individual rights. It is about the health of taxi drivers and that of their non-smoking passengers. Before Opposition Members leap to their feet and question whether there are health implications for the non-smoking passenger who travels in a cab recently vacated by a smoking passenger, I cite the increased stress levels of that non-smoking passenger, if nothing else.

It is also a question of individual rights. Taxi drivers operate—

Mr. Ottaway: The hon. Gentleman just said that a non-smoking passenger would suffer increased levels of stress as a result of travelling in a cab in which the previous incumbent had been smoking. What does he mean by that?

Mr. Brake: I will explain; it is very simple. Perhaps the hon. Gentleman is a smoker and is not familiar with the anxiety or the stress that non-smokers experience when we encounter smokers from all walks of life.

It is a question of individual rights. Taxi drivers, who, in effect, operate out of their office, have the right to choose whether they want someone entering that office to smoke. The taxi driver should be able to choose and to take that decision. All hon. Members would agree that taxis should form part of the public transport system. Passengers on buses, trains and the tube are not allowed to smoke, so it seems entirely logical that the same rule should apply to cabs—which are part of the integrated transport system—if drivers choose to designate them no smoking vehicles. If the passenger needs a fix, he or she can always wait for another cab that is clearly designated a smoking cab.

This new clause is supported by several organisations, and I shall refer briefly to a couple of letters from them. One letter is from Irving Yass of London First, who says that he is very sorry that the

"proposed amendment to the GLA Bill to allow taxi drivers to designate their cabs as 'non-smoking' has failed"

at that time

"to gain endorsement from Ministers during the Committee Stage."

The British Incoming Tour Operators Association writes:

"Thank you for your recent letter regarding the opportunity that exists to introduce an amendment that would enable taxi drivers to designate their taxis as non-smoking if they so wish."

Unfortunately, that opportunity does not seem to exist in reality, but BITOA supports that in principle.

The National Asthma Campaign is

"pleased to confirm that the . . . Campaign is happy to officially support your proposed amendment to the Greater London Authority Bill"

which would allow cab drivers to designate their cabs non-smoking cabs.

Mr. Simon Hughes: My hon. Friend mentioned the National Asthma Campaign. I have had reports that some people who suffer from severe asthma open the door to get into a cab, realise that it has been filled with smoke by the passenger who has just left and decide not to take that cab. They may not subsequently get a cab for up to 25 minutes. Their use of public transport is inhibited and the cab driver loses the fare. The whole thing is to the disadvantage of many passengers and of drivers.

Mr. Brake: I agree entirely with the points that my hon. Friend has made, which are confirmed in the letter from the National Asthma Campaign, which talks about tobacco smoke being a trigger—

Mr. Bercow *rose*—

Mr. Clive Efford (Eltham) *rose*—

Mr. Brake: I give way to the hon. Member for Eltham (Mr. Efford).

Mr. Efford: Can you confirm to the House whether you are actually planning to ban smoking—

Mr. Deputy Speaker: Order. The hon. Gentleman should use the third person form of address.

Mr. Efford: I apologise, Mr. Deputy Speaker. Is the hon. Gentleman planning to ban smoking entirely from the back of taxis, or is he planning to allow the taxi driver the opportunity to choose whether someone smokes in the back of his taxi?

Mr. Brake: I thank the hon. Gentleman for his intervention, which enables me to clarify that, as I hoped I had made clear, we are talking about allowing cab drivers to designate their cab a non-smoking cab if that is what they want to do. Equally, if they decide that they want their cab to be a smoking cab, it is entirely down to them. That is the purpose of our new clause.

Mr. Ottaway: Will the hon. Gentleman look at the matter from the other direction? Does he consider that, if there is not a prescribed notice in the cab and the driver is smoking, the passenger should be permitted to ask the driver to stop smoking?

Mr. Brake: That is an interesting point. I think the important principle is that the cab driver, who is running a business, should be able to choose whether his cab is a non-smoking or a smoking cab.

Mr. Bercow: Would the hon. Gentleman allow me?

Mr. Brake: I must continue.

Mr. Ottaway: Before the hon. Gentleman continues, will he say what the answer is to the question that I asked him? If the driver is smoking, can the passenger ask him to stop smoking? It is a perfectly straightforward question. Yes or no will do as an answer.

Mr. Brake: I hope that the passengers would choose a non-smoking cab if they wanted a no-smoking environment, and I hope that cab drivers would respect that and would choose not to smoke.

Ms Glenda Jackson: We must help the hon. Gentleman in his quandary. I understand that, at present, a cab passenger may insist that a driver extinguishes a cigarette. The cab driver has no such power to require a passenger to extinguish a cigarette.

Mr. Brake: I thank the Minister for her intervention, which I hope has clarified the matter.

I expect the Minister—

Mr. Simon Hughes: Will my hon. Friend give way?

Mr. Brake: I shall give way a final time.

Mr. Hughes: I am not trying to deal with the question asked by the hon. Member for Croydon, South (Mr. Ottaway), but responding to the interventions by the professional over there—the hon. Member for Eltham (Mr. Efford)—and the Minister. The issue, as my hon. Friend says, and as the new clause shows, is that there should be freedom to make the choice backed up by a sanction. At the moment, the cab driver may ask a passenger not to smoke, but if the latter does not comply with that request, there is no sanction to ensure that he or she does so.

8.45 pm

Mr. Brake: I thank my hon. Friend for his intervention.

Mr. Bercow: Will the hon. Gentleman give way?

Mr. Brake: I hope that that has cleared up the point. I will now push my—

Mr. Bercow: Will the hon. Gentleman give way?

Mr. Brake: I will not give way.

Mr. Bercow: Will the hon. Gentleman give way?

Mr. Brake: No, I will not give way.

Mr. Deputy Speaker: Order. The hon. Member for Buckingham (Mr. Bercow) should respect the customs of the House.

Mr. Brake: Thank you, Mr. Deputy Speaker. I must draw my remarks to a conclusion. I expect the Minister to outline clearly how and when she intends to address this critical issue. I understand the legislative difficulties involved, but it is of such importance that we require a strong statement from the Minister tonight.

Mr. Ottaway: I start by paying tribute to all taxi drivers, smoking and non-smoking, in the front and in the back. We are all deeply indebted to London cabbies.

Those who have travelled abroad and experienced cabs overseas will know what I mean when I say that we have the best cab service in the world. In my personal experience, a visitor to York is lucky to find a cab driver who not only knows where one wants to go, but speaks English. [HON. MEMBERS: "New York."] Did I say York? I meant New York, United States of America.

Nevertheless, I have reservations about the proposal. Smoking is a perfectly lawful occupation. In my judgment, it should be banned only if it affects others. May I tell my colleagues, in case they are hanging on my every word, that in the view of the Conservative party, this is a matter of conscience and they have a free vote. They may pick either side of this rather difficult argument, as was the position in Committee.

The matter is one for the individual to decide. I do not accept the argument advanced by the hon. Member for Carshalton and Wallington (Mr. Brake) that there is a passive smoking risk. If one is sitting next to someone on the underground and smoke is wafting past—*[Interruption.]* Very well, if one is sitting in a public place and smoke is wafting past, and one is inhaling it, there is a risk. *[Interruption.]* The Liberals are jeering in a rather anoraky way.

Several hon. Members *rose—*

Mr. Ottaway: I give way first to the hon. Member for Southwark, North and Bermondsey.

Mr. Simon Hughes: I was trying to work out how long it must be since the hon. Gentleman was last on the underground for him to have had that experience.

[Mr. Simon Hughes]

On a more serious point, he must surely accept that there is a significant passive smoking risk. If one gets into a cab, which might be the only cab that comes for 20 minutes, and it is full of the smoke left by the last passenger, one has no choice but to be affected by it, and it cannot do one any good. The driver must have the right to say that he does not want that in his cab.

Mr. Ottaway: I have been on the underground several times in the past few weeks, and I have seen the appalling mess that the Government are getting into, but perhaps that is for tomorrow's debate. Not being a smoker, I have not had to observe whether smoking was permitted or not. It does not worry me very much whether someone is smoking. People who have given up tend to be more zealous about these matters.

The hon. Member for Southwark, North and Bermondsey says that there is a risk from passive smoking. I say that there is no evidence to that effect. If one gets into a cab where someone has been smoking, there is no smoke billowing around. One has simply to open the windows. It is not a big deal.

The hon. Gentleman may be concerned about unpleasant smells. Will he ban fish and chips, or anything else that might create a smell, from the back of cabs? The Liberal Democrats are being far too sensitive.

Mr. Bercow: Does my hon. Friend agree that the smog generated by the speech of the hon. Member for Carshalton and Wallington (Mr. Brake) greatly exceeds anything that is likely to be generated by the smoking of a cigarette in a hansom cab? In proposing the new clause—this is a serious matter—the hon. Gentleman is intellectually confused to the extent that he still cannot give us a definitive answer about whether he believes that the owner of a taxi should have the absolute right, as the driver, to smoke in his own cab. Yea or nay—I think we should be told—*[Interruption.]*.

Mr. Ottaway: I presume that my hon. Friend was addressing that question to me. The Minister came to the rescue of the Liberal Democrats, which is no surprise as they are coalition partners. I must confess that what the Minister said surprised me. She said that a passenger can legally oblige a taxi driver to put out his cigarette. It would be a great help if she could explain the source of that legislation.

Ms Glenda Jackson: Does the hon. Gentleman really need to know?

Mr. Ottaway: I do—it is an important point.

Ms Jackson: I was about to say that I was stunned that the spokesperson for the official Opposition on transport for London clearly does not know what is happening on the tube and, apparently, knows less about legislation affecting taxi drivers. I am perfectly prepared to go through the long list of relevant legislation. I will quickly run through it now to find out where that provision is listed, but it is the case that a passenger may insist on a driver not smoking but a driver may not insist on a passenger not smoking.

Mr. Ottaway: That is helpful. Perhaps the Minister will have found the source in legislation by the end of the debate.

Mr. Wilkinson: Is not the distinction this? The Liberal Democrats think that the driver can eject the smoking passenger. Given the Minister's hypothesis, is it not much harder for the passenger to eject the driver?

Mr. Ottaway: We are getting into smog-filled territory, to borrow a pun from my hon. Friend the Member for Buckingham (Mr. Bercow). The Liberal Democrats must also deal with odours. Are they saying that people who smell should not be allowed to stay in a taxi? Are they saying that people should not eat fish and chips in a taxi? There is no intellectual rationale for their new clauses.

Mr. Simon Hughes: The hon. Gentleman makes half-valid points. He must understand that we are discussing what is effectively a public transport service, although it is privately provided. Once the light is on, the prospective passenger has a right to use the cab. The question is whether the provider, like the provider of a pub or any other public place, should have the right to say that it should be smoke free. For the purposes of transport, the cab is a public place. That is the difference. The law on smoking is applied in other public places; it is not applied to fish and chips or smells, even though the hon. Gentleman might wish it to be.

Mr. Ottaway: The question is whether the back of a cab is a public place. It is the back of someone's vehicle. I do not think that it necessarily follows that the passenger is sharing the compartment with another member of the public. When one hires a cab, one hires it for oneself. One does not share it with anyone. I do not think that the Government propose to ban smoking in one's own house. It therefore does not follow that if one is on one's own in the back of a cab one should not be allowed to smoke—otherwise we are getting into the nanny state. The policy is interventionist in the worst possible way and should be avoided.

Mr. Edward Davey: Does the hon. Gentleman realise that as a result of what he is saying a cab driver could lose his licence because he wants the cab to be a no smoking zone? That is the logic of the hon. Gentleman's position and it would infringe the liberties of the ordinary cab driver. The hon. Gentleman started his remarks by praising the cab drivers of our great city. He wants to take away their liberties, or at least restrict them to the restrictions allowed under the Conservative Government.

Mr. Ottaway: What absolute bilge. I have said nothing of the sort. All that I am asking is that the law that has prevailed for the past 100 years should be allowed to prevail for the next 100 years. The nanny-state, interventionist side of the Liberals is coming out in the worst possible way. They want to make smoking in the

back of a cab a criminal offence. They want people to be thrown out of taxis. Speaking personally, I do not agree with their proposal.

Mr. Davey: I shall be grateful if the hon. Gentleman, who leads for the Conservatives, will say whether he really wants cab drivers to lose their livelihood because they want to be a no smoking zone.

Mr. Ottaway: They have not lost their livelihood up to now, so why should they lose it in the future, unless we pass this ridiculous new clause?

The most sensible way for the House to proceed is to recognise that a sign asking people not to smoke should be generously respected. The Minister, who is uncharacteristically smiling, gave a pledge several months ago to introduce a new clause to ban smoking in taxis. When she was put on the spot by the Liberal Democrats in Committee, she backed off. She said that the clause as drafted would not achieve the desired result. The implication was that she would go away and have a look at it and come back to the House. As far as I am aware, she does not intend to accept the new clauses tonight, unless the reason why she is smiling is that she intends to surprise the House. I doubt it. If anyone has done a U-turn, it is the Minister. She has backed off. She made a pledge that she could not stand by and she has got herself into a bit of a jam.

Mr. Simon Hughes: I take one last opportunity to try to get the hon. Gentleman, whose philosophy on these matters I support, to understand that he is in a muddle. We are arguing that the driver should have the freedom to choose. We are not advocating the nanny state. We are not saying that drivers must choose not to allow smoking in their cab. Unless we have all misunderstood where the Conservative party has come from and is going, surely it must defend the freedom of people to choose whether to run a smoke-free business in their own vehicle.

Mr. Ottaway: That is where I disagree with the hon. Gentleman. I do not think that a driver should have the discretion to decide whether someone should undertake a lawful activity. That is just a plain difference of opinion. For that reason, I personally will not support the new clause.

Mr. Clive Efford (Eltham): We have reached the controversial issue in the Bill. The Liberals are anxious and stressed, and the Conservatives are planning to have a vote of conscience. For me, the debate is simple and straightforward. It is about the workplace and about the worker being able to work in a smoke-free environment. It is plain and simple. If the driver chooses to work in a smoke-free environment, he or she should be able to enforce that decision. This has gone on for far too long. Drivers are operating outside the law. They have polite notices in the cab—I had one in the back of my taxi—thanking people for not smoking, but if someone chooses to smoke and the driver finds that offensive and unacceptable, he cannot enforce the notice. Drivers are forced to suffer and become passive smokers. On a wet winter evening, they are not going to open the windows, believe me.

The Government have said that they want to consult further and that this is not the relevant vehicle for this measure. We have to accept the Government's position, but I urge them to deal with the matter urgently and without further delay. There is a great deal of concern in the trade. Drivers are currently placed outside the law; the Government must tidy up the anomaly. Other forms of public transport are free from smoking and there is no reason why taxi drivers should not be able to choose whether anyone smokes in the back of their taxi.

9 pm

It is not just a question of the taxi driver's becoming a passive smoker; it is a question of his protecting the tools of his trade. High standards are set for London taxis. Smoking can damage the fabric of the inside of a taxi, and when the time comes for the annual overhaul, the Public Carriage Office will not pass a cab whose upholstery is damaged; yet the simple fact is that it is expensive to replace it. There are other factors involving the need to maintain standards relating to cleanliness in the back of taxis. For instance, the ceilings of taxis quickly become sooty as a result of smoke fumes. One of the most unpleasant tasks that I had to perform as a London taxi driver was cleaning out the ashtrays. As a non-smoker, I found having to dispose of other people's mess extremely unpleasant.

I understand that the Transport and General Workers Union has written to the Department of the Environment, Transport and the Regions—on the understanding that amendments would not be forthcoming from the Government—seeking further meetings involving representatives of the taxi trade. I hope that the Minister will feel able to give us an undertaking in that regard because, as our debate has demonstrated, there is considerable concern about the issue. It should be dealt with, as a matter of urgency.

I have to say that I have reservations about making smoking in taxis a criminal offence, and would like to consider that further. For one thing, there is the issue of proof. If we are to introduce a law, it should be workable and enforceable. By the time a taxi driver reaches a police station in an attempt to eject a passenger who refuses to leave the taxi, if that person has just put out his cigarette, where is the proof? It will be the driver's word against the passenger's—and, if there is more than one passenger, the driver will be outvoted. We need a more moderate provision, allowing drivers to drive to the nearest police station—they know where they are—and then to seek the assistance of the police in ejecting the passenger.

If a passenger refuses to pay in such circumstances, it is up to the police to ensure that names and addresses are exchanged. That is my understanding of the regulations. It is then up to the taxi driver to institute a civil action for any inconvenience or loss of income caused. In such circumstances, small claims courts fine people heavily for messing taxi drivers around when those drivers have been pursuing their profession.

Mr. Simon Hughes: I understand the hon. Gentleman's argument, but not imposing criminal sanctions will not solve the problem. Let us suppose that the hon. Gentleman was the driver involved. He would have risked the damage to his upholstery and the smoke-filled cab. Driving to a police station three miles away in an attempt to get rid of someone who might not easily go would not get to the

[Mr. Simon Hughes]

bottom of the difficulty. I think that the criminal sanction is needed because without it, there is no solution if a passenger insists on lighting up in the back of a cab.

Mr. Efford: I do not accept that. I think that, again, the issue of proof applies. Moreover, neither party will want to take a detour: both parties will want to go from A to B. That, surely, is the main sanction. I do not think that we need to take a sledgehammer to crack a nut; what we need to do is tidy up a situation in which many taxi drivers find themselves placed outside the law in an attempt to work in a smoke-free environment.

I hope that the Minister will tell us that there will be further dialogue, and that she will undertake the consultation that the Government feel is necessary before they can legislate.

Mr. John Randall (Uxbridge): I am grateful to my Front-Bench team for allowing Conservative Members freedom of choice. It is perhaps a slightly difficult and worrying situation, but I find myself in agreement with the thrust of the Liberal Democrats' new clauses. It is not because I am a non-smoker. From time to time, I hide away in the Smoking Room in this place, but I respect the view that was eloquently expressed by the hon. Member for Eltham (Mr. Efford), who should, after all, know what he is talking about. The fact that the vehicle is the workplace and, in many cases, the private property of the individual cab driver should give that driver and owner the right to choose whether his environment is non-smoking, or smoking.

I have some worries. I have a great worry about the difficulty of enforcement. I worry that the people who might light up when asked not to might be coming back from the pub or somewhere such as that.

Mr. Brake: Does the hon. Gentleman agree that, in relation to public transport, to a great extent, the smoking ban on the tube and buses is being enforced not actively, but because people know that they are not allowed to smoke? The vast majority of passengers observe the ban.

Mr. Randall: To some extent, I agree, although, on the tube, for example, there may be people who will smoke when alone in a carriage—when there are no other people there to tell them off, if you like, or to embarrass them. We do travel on the tube. We see people light up, particularly late at night. Despite the remonstrations of fellow passengers, they continue to do so. Normally, however, when other people are around, people do not light up. Of course, when we get to a station, there is the possibility of calling someone in.

I would be a little concerned about the situation getting somewhat out of hand and the possibility of violent attacks. However, taxi drivers themselves are asking for the measure and I am sure that they are aware of that possibility—I understand that it is the taxi and cab drivers and their professional organisations that are asking for the measure. It is long overdue.

I do not accept the view of some of my hon. Friends that the issue is freedom of choice for the passenger. As the Liberal Democrats and the hon. Member for Eltham have said, it should be put the other way round. I am a great believer in freedom of choice, but that must not impinge, as these things sometimes do, on other people's liberty or freedom of choice.

As I have said, the measure should be looked at and enshrined in law. Again, I have my doubts about the criminal offence side of it. I understand from what the hon. Member for Eltham said that he has already spoken to the Government and that the let-out excuse is that they will be looking at the matter further. I think that we shall continue to hear that. It would be a good thing if a marker were put down that the House respected the rights of individual drivers to choose.

I feel that, although in their hearts many Labour Members support the new clauses, they will be persuaded by their devotion to the Whips—they are without the benefit that Conservative Members have of freedom of choice on the matter—to vote against them.

Mr. Simon Hughes: May I suggest an argument that the hon. Gentleman, with me, might make to Labour Members? In the new clauses, Liberal Democrat Members are attempting to persuade the House to support a policy that was, until recently, the Government's very own policy. Just recently, for some inexplicable reason, the Government backed away from that policy. I hope that that will persuade Labour Members to be true to old Labour policy, rather than the Government's new-found, rather inadequate substitute.

Mr. Randall: I should not be greatly surprised to learn that Labour Members have had damascene conversions or changed their minds on specific issues. However, I should not hold out too much hope to the hon. Gentleman of Labour Members trooping through the Lobby to support the new clause.

As I said—bearing in mind the views of many of my hon. Friends on the issue—I find it somewhat worrying to be supporting the new clauses. However, I should also assure the House that I support them not because I am the only Conservative Member with a beard, but because they have great merit.

Mr. Kevin Barron (Rother Valley): Although I am not an expert on the matter or a parliamentary draftsman, and the new clauses may not fit into the Bill, I, too, have some sympathy for the objectives that the new clauses seek to accomplish.

I have a letter that was sent to the British Heart Foundation by the London Taxi Board, which represents the owners and drivers of London taxi cabs. Moreover Transport and General Workers Union—which my hon. Friend the Member for Eltham (Mr. Efford) mentioned in his brief speech—members comprise one of the board's sections.

As my hon. Friend the Minister for Transport in London will know, the London Taxi Board has been campaigning for the Bill to be amended so that taxi drivers will be able to designate their cabs as non-smoking. The board believes that such an ability

"would allow drivers to work within a smoke-free environment and passengers to travel in a smoke-free cab should they so wish."

The board is also right to say that such an ability would fit in with the Government's White Paper on smoking, which was published in December 1998.

The Health and Safety Executive is working on a code of practice on smoking in the workplace, which should provide even further direction on how we should address the issue.

Some of the comments and laughter that greeted the speech of the hon. Member for Carshalton and Wallington (Mr. Brake) in moving the new clause were inappropriate, as hon. Members should be a bit more serious about the issue of people in enclosed work spaces having to be exposed to smoke. It is not true that passive smoking is not harmful, because good scientific evidence shows that it is. It may not be much of a problem for people like me to get into a cab that has recently been filled with smoke, but, if I were asthmatic, it might be a different kettle of fish. We should appreciate that such a smoky environment can quite easily trigger asthma attacks for those who are vulnerable to them.

The letter also deals with the board's proposal that cabs should be clearly marked as either smoking or non-smoking, so that customers might be provided with a choice. I do not think that such a provision would suggest the action of a nanny state, because we should have a choice in the matter. Many national pub chains now offer the choice of going to a public house and drinking in a smoke-free area, and restaurants in most major towns not only offer smoke-free areas, but may be entirely smoke free. As an individual, I choose to use those restaurants, rather than ones that allow smoking anywhere on the premises. Everyone agrees that there is an anomaly in current smoking policies, and that anomaly should be cleared up.

The board wrote to the British Heart Foundation seeking support for the consultation described by my hon. Friend the Minister for Transport in London. May I ask her what stage that consultation has reached, and what mechanism a cabbie will be able to use to ensure that his or her workplace—the cab that he or she owns—is smoke free? Does provision of such a mechanism require primary legislation, or could it be dealt with by other means? I thought that the Bill dealt more with constitutional issues, and not with issues that have been dealt with in other parts of the public sector without primary legislation. There are many forms of public transport on which smoking is banned or severely restricted.

Dr. Rudi Vis (Finchley and Golders Green): We should not overlook the fact that when someone hails a cab and the driver accepts them, it is no longer public transport; it is private transport and the passenger owns it for the trip. The same applies to hotels. We are told that taxis should be compared with public transport or other public places such as pubs, but that is not the essence of the situation with cabs. That does not mean that I am not sympathetic to what my hon. Friend is saying.

Mr. Barron: I do not know whether my hon. Friend the Minister agrees with that. I understand that the transport White Paper suggests that cabs are public transport.

I would like a sign on the front of a cab, not necessarily lit up, saying that it is a smoke-free cab. I would hail those cabs rather than ones that allow smoking.

9.15 pm

Mr. Nick St. Aubyn (Guildford): It comes as no surprise that the Government might support the dictatorial nature of the new clause. The fact that it was moved by the hon. Member for Carshalton and Wallington (Mr. Brake) merely proves that there is nothing liberal about the Liberal Democrats.

Surely hon. Members understand that such a matter should be decided by the new Greater London Authority, not by this House. What is the point of anyone in London voting for the Greater London Authority if it cannot even decide on how smoking bans should be enforced in cabs?

It is appropriate that different legislation should apply on such an issue in different parts of the country. Hon. Members may have read over the weekend, as I did, about an American tycoon who flew into this country on Concorde smoking a cigar, against the aircraft's regulations. Despite all the authority of British Airways, he could not be persuaded to put out his cigar. He appears to have breached some element of this country's legal code. British Airways has attempted to bring him to justice, but cannot lay a finger on him because he moves around the world so fast that he cannot be found to have the warrant served on him.

Mr. Simon Hughes: The hon. Gentleman's argument about leaving the issue to the Greater London Authority is superficially appealing, but I believe—I stand to be corrected—that it would not have the power to cover such matters without promoting a private Bill to introduce a new criminal sanction. If it had the authority to deal with the matter, I would agree with the hon. Gentleman, but as it has not, we have to make provision in primary legislation.

Mr. St. Aubyn: A new clause should be inserted in the Bill to give the authority the power.

Many tourists visit London. It is patently absurd to suppose that the police in London would be able to catch up with those who breached the clause. There is not sufficient police time available, nor should there be. A law that could not be enforced against many of the people who use London cabs, but would be enforced against others who happened to be here all the time would be considered most unjust by many people. Regardless of whether we agree with the thinking behind the clause or sympathise with the plight of the poor London cabbie, we should reject the clause.

The London cab enjoys several privileges. If we park our car in the wrong place on a rank reserved for taxis, we are fined heavily. Taxi drivers who go to that rank agree to accept any customer who comes along. The clause would breach that important principle, elevating the situation of cab drivers beyond what they deserve.

I run a joinery business—in a non-executive capacity, these days. Sometimes in that business, people have to put up with dust and other problems. That is not a satisfying part of the job, but it is a part of the job. The hon. Member for Eltham (Mr. Efford) may not enjoy using a vacuum cleaner on the ash in the back of his cab, but that is tough, I am afraid. With that goes the pleasure of serving millions of Londoners, for which all of us are grateful to him. We hope that he continues to do so without the intrusive nature of this proposal.

Ms Glenda Jackson: If the hon. Member for Guildford (Mr. St. Aubyn) runs a joinery business and provides his

[Ms Glenda Jackson]

employees with no protective clothing, he would be well advised to ask the Health and Safety Executive to examine his business.

Mr. St. Aubyn: Will the Minister give way?

Ms Jackson: No.

Mr. St. Aubyn: On a point of order, Mr. Deputy Speaker. Is it in order for a Minister to attack a Member of this House and not to accept an immediate intervention from that Member?

Mr. Deputy Speaker: That is not a point of order. A point of debate was at issue, which seemed to lie outside the terms of the new clause.

Ms Jackson: Thank you, Mr. Deputy Speaker.

This is a very important issue, although one would not have known it if one had listened exclusively to the speech by the hon. Member for Croydon, South (Mr. Ottaway) and to some of the remarks of the hon. Member for Guildford. The speeches by my hon. Friends the Member for Eltham (Mr. Efford) and for Rother Valley (Mr. Barron), and by the hon. Member for Uxbridge (Mr. Randall), were serious in their intent.

The Government support the principle of designating taxes as non-smoking vehicles. There has been no U-turn. On 29 July last year, in reply to a parliamentary question from my hon. Friend the Member for Cambridge (Mrs. Campbell), I said that the Government intended, when parliamentary time permitted

"to propose a change in the law to enable licensed taxi drivers to designate their vehicles as 'non-smoking cabs'".—[*Official Report*, 29 July 1998; Vol. 317, c. *241*.]

The Government stand by that commitment. We also stand by what I said in Committee; that this Bill is not the appropriate vehicle for such a measure.

The widest-possible consultation must be carried out before we could consider proposing such legislation. I am pleased to announce—I trust that my hon. Friend the Member for Rother Valley will be pleased—that the Government will be consulting on the issue. There is a clear need for consultation.

As we have heard from the speeches this evening, there are problems in terms of defining the evidence that will be needed. First, there is the taxi driver's legal obligation to take a hiring. A change to allow a non-smoking provision will mean that, for the first time, a taxi driver will be able to choose for whom he stops. That carries the risk of discrimination for reasons other than smoking.

There are also the practical problems of a non-smoking measure. How would a taxi driver deal with a passenger who lit up during a journey? Would the driver or a constable be able to evict the passenger? What if a passenger was evicted late at night, and was female or disabled and could not get home? Those are serious safety issues, which need to be looked at.

Fares would be a problem. Would the passenger pay up to the point when they were thrown out, or when they were taken to the nearest police station? How would the driver obtain the fare, if the passenger did not want to pay?

I have touched on the question of evidence. How could it be proved that a passenger had lit up inside a cab? A taxi is not like a bus or a train. If a driver headed for a police station, presumably, the passenger's first move would be to throw the cigarette out of the window.

Who should be responsible for designating a taxi as a non-smoking cab? Would it be the proprietor or, if they are not the same—as they are not in many cases—the driver? In the case of several drivers using one taxi in shifts, should it be possible to designate and de-designate the cab according to the driver?

Clearly, consultation will need to be wide. Obviously, the taxi trade, the local authorities, the licensing authorities, the police and judiciary and organisations concerned with safety, such as the Suzy Lamplugh trust, will all need to be consulted, and the results will have to be carefully considered.

Mr. Simon Hughes: Will the Minister give way?

Ms Jackson: No, I am very short of time.

I entirely understand and share the sympathy that has been expressed this evening by hon. Members.

It would be improper to introduce the provisions in this Bill, at this stage. The mayor would of course have the power to introduce private legislation for London, but we believe that a national measure would be right. The significance and complexity of the measure make thorough consultation essential, and I am glad to undertake that such consultation will be conducted.

Mr. Hughes: The Minister said last July that the Government would legislate when legislative time was available, and we now have a Bill through which we could legislate, so why does she give us all these reasons why we cannot do so? What is the latest date by which the Government will legislate?

Ms Jackson: The Bill is specifically for London, and I have already said that the provisions suggested in the new clause should be consulted on nationally. We estimate that it will take three to four weeks to draft the consultation document. The guidelines on good government mean that the consultation period should be a minimum of eight weeks. I imagine that there will be a massive response, and we will clearly need to evaluate that. All that takes us about three months along the line. No one is in a position to prejudge what will be in the Queen's Speech, but I have given a categoric assurance that both I and the Government stand by previous statements and that there will be consultation shortly.

The hon. Members for Southwark, North and Bermondsey (Mr. Hughes) and for Carshalton and Wallington (Mr. Brake) share our view that cab drivers or owners should be able to designate their cabs as smoking or non-smoking, so people could still open the cab door and find smoky air inside. The hon. Member for Southwark, North and Bermondsey mentioned the concerns of the National Asthma Association, and my hon. Friend the Member for Rother Valley made the same point in relation to people with heart conditions. The new clause could not possibly cover the difficulties to which they drew attention, as the cab driver or owner would still have the choice.

I have touched on many of the difficulties that we perceive in any attempt to rush through such important legislation. I have given a clear commitment that the Government will legislate and that we will hold consultations on this vital issue as soon as possible. I therefore trust that the motion will be withdrawn.

Mr. Brake: I am pleased that the subject has generated such interest. I welcome the support of hon. Members of all parties, and I hope that it does their promotion prospects no harm. I have heard the Minister restating her concerns about drafting the legislation, but I consider the issue to be so important that, notwithstanding her genuine assurances that it will be tackled, I want to press the motion to a vote.

Mr. Ottaway *rose—*

Mr. Deputy Speaker: Order. The hon. Gentleman has already spoken.

Question put, That the clause be read a Second time:—

The House divided: Ayes 21, Noes 293.

Division No. 164] **[9.29 pm**

AYES

Allan, Richard
Ashdown, Rt Hon Paddy
Ballard, Jackie
Beith, Rt Hon A J
Brake, Tom
Brand, Dr Peter
Burnett, John
Campbell, Rt Hon Menzies *(NE Fife)*
Fearn, Ronnie
Harris, Dr Evan
Heath, David *(Somerton & Frome)*
Hughes, Simon *(Southwark N)*
Keetch, Paul
Kirkwood, Archy
Llwyd, Elfyn
Randall, John
Russell, Bob *(Colchester)*
Sanders, Adrian
Taylor, Matthew *(Truro)*
Tyler, Paul
Willis, Phil

Tellers for the Ayes:
Mr. Edward Davey and
Dr. Jenny Tonge.

NOES

Abbott, Ms Diane
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Donald *(Swansea E)*
Anderson, Janet *(Rossendale)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, Kevin
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Bermingham, Gerald
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brinton, Mrs Helen
Brooke, Rt Hon Peter
Buck, Ms Karen
Burden, Richard
Byers, Rt Hon Stephen
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Chapman, Sir Sydney *(Chipping Barnet)*
Clapham, Michael
Clark, Rt Hon Dr David *(S Shields)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, Rt Hon Robin *(Livingston)*
Corbett, Robin
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunliffe, Lawrence
Cunningham, Jim *(Cov'try S)*
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Doran, Frank
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff
Etherington, Bill
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Lorna
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Fyfe, Maria
Galloway, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Gray, James
Griffiths, Nigel *(Edinburgh S)*
Grocott, Bruce
Grogan, John
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hood, Jimmy
Hoon, Geoffrey
Hope, Phil
Howarth, Alan *(Newport E)*
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Humble, Mrs Joan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, Rt Hon Ms Tessa
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S
Kidney, David
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Ladyman, Dr Stephen
Lawrence, Ms Jackie
Laxton, Bob
Lepper, David
Leslie, Christopher
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Love, Andrew
McAvoy, Thomas
McCabe, Steve
McCafferty, Ms Chris
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Maxton, John
Meacher, Rt Hon Michael
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Morley, Elliot
Morris, Ms Estelle *(B'ham Yardley)*
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Mrs Diana

Ottaway, Richard
Pearson, Ian
Pendry, Tom
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, Rt Hon John
Primarolo, Dawn
Prosser, Gwyn
Purchase, Ken
Quinn, Lawrie
Radice, Giles
Rapson, Syd
Raynsford, Nick
Reed, Andrew *(Loughborough)*
Robertson, Rt Hon George *(Hamilton S)*
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Rooker, Jeff
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
St Aubyn, Nick
Salter, Martin
Sawford, Phil
Sheldon, Rt Hon Robert
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Snape, Peter
Soley, Clive
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Steinberg, Gerry
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Stott, Roger
Straw, Rt Hon Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Ms Dari *(Stockton S)*
Taylor, Rt Hon John D *(Strangford)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr Desmond *(Kemptown)*
Turner, Dr George *(NW Norfolk)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Williams, Rt Hon Alan *(Swansea W)*
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Worthington, Tony
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*

Tellers for the Noes:
Mr. Greg Pope and
Mr. Kevin Hughes.

Question accordingly negatived.

Clause 226

THE LONDON DEVELOPMENT AGENCY STRATEGY

Mr. Raynsford: I beg to move amendment No. 129, in page 123, line 43, leave out '("the' and insert

'(referred to in this section and section 7B as "the".

Mr. Deputy Speaker: With this, it will be convenient to discuss Government amendments Nos. 130 to 134.

Government new clause 35—*Secretary of State's functions in relation to the strategy.*

Mr. Raynsford: New clause 35 adds a new section to the Regional Development Agencies Act 1998. It allows the Secretary of State to give guidance to the mayor on matters to be covered and issues to be taken into account in the economic development strategy that will be developed on behalf of the mayor by the London development agency. The mayor will have to have regard to the guidance, but there will not be a power, as with other RDAs, to give guidance on the strategy to be adopted in relation to any matter. That reflects the unique status of the mayor, who will have oversight of the development agency in London.

There is also provision for the Secretary of State to issue a direction requiring the mayor to alter the strategy if it is inconsistent with national policies or likely to be detrimental to any area outside London. The measures mirror the planning provisions and those for other mayoral strategies.

Amendment No. 129 is necessary as a consequence of new clause 35 adding another section to the Regional Development Agencies Act 1998.

Sir Sydney Chapman: I do not want to be insistent, but, in Committee, we debated long and hard whether guidance or a direction should be given. While new clause 35 says:

"The Secretary of State may give guidance"

and

"The Mayor is to have regard to any guidance",

is not its gist that the Secretary of State may direct the mayor to do what he wants? While I understand the need for the mayor to have a strategy consistent with national policy, is this not the shadow rather than the substance of devolution to the mayor and people of London?

Mr. Raynsford: The hon. Gentleman is wrong. There must be an overarching national concern when several different regions pursue economic development strategies that may result in their coming into conflict with each other. In the national interest, the Secretary of State must take an overview. That is sensible. In London, we have rightly made the development agency answerable to the mayor. There is therefore proper democratic accountability in the region. The mayor can give guidance to the LDA on how to conduct its business. The only safeguard is to ensure that, where there is a possible conflict with national policy, or where there is action that would be detrimental to another part of the country, the Secretary of State will have an intervention power. That is the right and proper balance.

9.45 pm

I accept entirely that some elements in the House—one usually thinks of those sitting on the Liberal Democrat Benches in that connection—would allow anarchy and would allow regions to pursue their own interest regardless of the interest of other regions. That would not be responsible or serious and we are not proposing it. However, we are giving a considerable amount of devolved power to the mayor and to the London development agency to develop a regional development strategy that is appropriate to London's needs, but focuses on the issues that will be really important in London—the promotion of tourism and the development of the financial services industries and of other service industries that will be of unique importance in the London area. The development agency, working with the mayor, will pursue those issues.

Amendments Nos. 130 to 134 are technical amendments to simplify and clarify the text of the Bill. I commend new clause 35 and amendments Nos. 129 to 134 to the House.

Mr. Ottaway: I suspect that new clause 35 is another measure that is being introduced in case the hon. Member

for Brent, East (Mr. Livingstone) becomes mayor of London. When the Bill left Standing Committee after a great deal of debate, the original plan was that the Secretary of State would be able to correct inconsistencies. However, the new clause is a quite distinct firming up of the legislation. One wonders why it was not introduced in Standing Committee, because there is nothing novel or unique about it. Basically, the Secretary of State will now decide what the policy is; no other interpretation can be put on the measure. The Secretary of State can give guidance, and, if the mayor wanders off, he will receive a great deal more guidance until he comes back into line. In other words, the Government know best and, in truth, this is another example of the nanny state.

However, a far more serious aspect of the measure is the fact that the London development agency will have a fairly influential effect on the economy of London. In the judgment of Conservative Members, that should be a matter for the mayor. The Minister will be aware that we do not agree in principle with the Regional Development Agencies Act 1998; we believe that assistance should be focused on specific areas, rather than on regions. Nevertheless, we shall have to learn to live with the Act. The mayor can use the LDA as a vehicle for his economic policy—or he could until the new clause came along. Now, the Secretary of State will decide what the policy is. That is fine; it is probably what the Government intend. However, what is the point of having the authority in the first place, if this sort of rearguard action is going to take place in the latter stages of the introduction of the legislation?

I think that the measure is a sign that the Government are losing their nerve slightly over the whole issue. They started out by proclaiming loudly that the mayor would lead a brave new world, but now we find that it is not the mayor but the Secretary of State who will lead that brave new world.

Mr. Wilkinson: I endorse everything said by my hon. Friend the Member for Croydon, South (Mr. Ottaway). As he suggested, the measure is, in essence, a Brent, East mayoralty contingency clause, but it is equally a Conservative mayoralty contingency clause. It is likely that the requirement for the policies of the London development agency to be consistent with national policies would not be met if a Greater London Authority were led by a Conservative mayor—the aspiration of Conservative Members. A Conservative mayor would follow policies that were quite different from those of a socialist Government in Whitehall.

Mr. Gapes: Does the hon. Gentleman suggest that, for an indefinite time in the future, there will always be a Labour Government? Is the Conservative party now in so bad a state that he feels that there is no possibility that a Conservative Government will ever be elected again?

Mr. Wilkinson: As so often happens, the hon. Gentleman has got hold of the wrong end of the stick. I was hypothesising the strong likelihood that there would be a Conservative mayoralty and saying that a Conservative-led Greater London Authority would pursue policies of stimulating enterprise and getting bureaucracy and interference off the back of commerce and industry in the capital, to such an extent that the capital would become an example of free enterprise in action. A socialist Administration would probably not be too delighted about that, especially as such a capital city would be a magnet for further private-sector investment of a sort that would demonstrate the great disparity between the performance of other regions of the country, which have inherent disadvantages compared with the capital, and what was being engendered in industry and commerce in London.

The Government are not, as has usually been the case in respect of this Bill, setting up the Secretary of State as a back-seat driver; instead, the Secretary of State would be more or less in the boardroom of the development agency for London. Not only is the Secretary of State to give routine guidance on strategy, but he will be able to pray in aid allegations of the development agency's strategy being "inconsistent with national policies" or

"having . . . a detrimental effect on any area outside Greater London".

Given that there is bound to be a distinction and diversity of performance, objectives and policy between the capital and elsewhere in the country, the Secretary of State is being given carte blanche to issue directions to the development agency.

In my judgment, the work of the development agency will not be primarily to encourage the financial services sector, which is located predominantly, albeit by no means exclusively, in the City of London and which has always had the full impetus of the City of London corporation behind it—indeed, that is one of the main raisons d'être of the corporation. Nor will it be to encourage tourism, which also has its own bodies, such as the London tourist board, to attract tourists to the capital. Indeed, the complaint has always been that the influx of tourists to London is disproportionate, that other regions have been disadvantaged and that income from tourism has been distributed unequally between London and the provinces. Therefore, we can discount the two examples offered by the Minister.

It is much more likely that, under vigorous Conservative leadership, the development agency will work to restore manufacturing to full health in the capital. Because so many advantages have been given to other areas, through the Welsh Development Agency and its Scottish equivalent and all sorts of regional policies which have favoured manufacturing industry in the provinces, manufacturing industry in London has had a difficult time. In certain sectors, it has done well, but with imaginative policies from a development agency, London's manufacturing sector could do even better.

The new clause is a recipe for back-seat driving of the worst sort and it has little to commend it. It is an illustration of the fact that the Labour Government do not trust the GLA or the LDA to get on with the job, but believe that they should have the right to meddle and interfere ad infinitum.

Mr. Edward Davey: We have debated this issue several times in Committee, but it is appropriate for me once again to make the Liberal Democrats' views clear, because the issue reveals the fundamental difference between the Government and us.

The Minister said earlier that the Liberal Democrats' approach to the Bill is anarchic, but nothing could be further from the truth: our approach is democratic. Not only do we believe in devolution, but we understand how

[Mr. Edward Davey]

it works and we believe that if devolution is to take place, it should be done properly and fully. The Government are trying to reduce the level of democracy, perhaps for the reason offered by other hon. Members—the Brent, East question—but more probably because they fail to understand people's desire to take control of their own lives. In his opening remarks, the Minister suggested that the mayor of London would have greater power than would be afforded to other regions. New clause 35, subsection 7B(1) states:

"The Secretary of State may give guidance to the Mayor about the exercise of his functions".

According to the Minister, the Secretary of State can intervene and force the mayor to review his strategy only in respect of national policies. However, subsection 7B(7) contains the definition of "national policies", which it says are:

"any policies of Her Majesty's government which are available in a written form and which—

(a) have been laid or announced before, or otherwise presented to, either House of Parliament, or

(b) have been published by a Minister of the Crown."

In other words, the Secretary of State can decide what constitutes a national policy and use that as an excuse to intervene.

The Government are trying to hide their embarrassment about their centralist tendencies under a fig leaf. However, as new clause 35 demonstrates, the tentacles of the leviathan state are all over the so-called new, devolved assembly. The devolution that the Government propose in this Bill is, in many ways, a charade. As I said in Committee, this Bill both establishes Government for London and abolishes it. It is a great shame that the Government feel so nervous about devolution that, even at this late stage, they must give the Secretary of State yet another power. The Liberal Democrats oppose that move.

Mr. Raynsford: I am enjoying the image of myself as a tentacled leviathan who is trying to swallow all local and regional initiative in London using the overriding centralist powers that are our obsession. The Liberal Democrats have clearly not yet woken up to the fact that we are recreating a democratic citywide authority for London, which was abolished 13 years ago by the former Conservative Government. We pledged that we would return to London the right to have its own democratic citywide authority, and we are delivering on that promise.

I assure the hon. Member for Croydon, South (Mr. Ottaway), who led for the Opposition, that there is an obvious case for having a London development agency. He doubted the need for such a body, but it will be the mayor's economic development arm. It will play a key role in regeneration strategies, in advising on the distribution of the single regeneration budget and encouraging partnership to promote other regeneration initiatives. That is a hugely important role in a city divided by great wealth and great poverty. We need to galvanise and bring together all available agencies and resources to have the most positive and powerful impact on the London economy and on the regeneration of its disadvantaged areas.

That is the role that the development agency will have. It will work to the mayor, unlike regional development agencies elsewhere that will report directly to Ministers. There will be local accountability within London, but it is only sensible that it should take place within a national framework. The Secretary of State will give guidance to the mayor in the same way as he will direct the regional development agencies in other areas. That is entirely compatible with devolution in London within a national framework.

The hon. Member for Ruislip-Northwood (Mr. Wilkinson) believes that this is about fettering the powers of a future Conservative mayor. That is a fantasy, as is his scenario about a Conservative mayor miraculously restoring London's manufacturing. I put it to him in the nicest possible way that, if he had come to London during the 18 years of Conservative Government, he would have seen the immense damage that was being done to manufacturing industry and the collapse and decline of that industry in so many parts of London that resulted from the policies pursued by the Government whom he supported. I remind the hon. Gentleman that we are about creating a proper framework for economic development in London that will respect the need for manufacturing and other service industries and will do the best for London.

The hon. Member for Kingston and Surbiton (Mr. Davey) claimed that the Liberal Democrats are not anarchic. He then rather spoilt the effect by expressing astonishment that national policies are the same things as the policies of the Government. That could come only from a party of absolutely implacable anarchists who have no understanding of the process of government. Government does not exist to issue texts for discussion at Liberal discussion groups; government is here to govern.

10 pm

Mr. Davey: I was taking issue not with the need for London's policies to be consistent with national policies but with the way in which national policies are defined in the Bill. The Government could have chosen to define national policies as policies that apply throughout the country, but they chose not to do so. They chose to define national policies as those that were laid down by the Government, and those policies might apply only to London.

Mr. Raynsford: I put it to the hon. Gentleman that the Government govern the whole country, and Government policies therefore apply to the whole country, unless they are defined as applying only to one area. In new clause 35, we are proposing a provision by which the Secretary of State will be able to give guidance, but instead of directing the development of the London development agency strategy—which would be a matter for the mayor—would have the power of intervention on two grounds. Those two grounds are consistent throughout the Bill, because we recognise the need—which I am sorry that the Liberal Democrats do not recognise—for the devolved government in London to work within a national framework, respecting the fact that London remains part of the United Kingdom and respecting the fact that its policies should not have an adverse impact on other parts of the United Kingdom.

Those are sound principles, which anyone who is experienced in the process of government would recognise are fundamental to successful devolution. Those are the principles that underpin our policies. Those are the principles that underpin new clause 35.

I commend the amendment to the House.

Amendment agreed to.

Amendment made: No. 130, in page 124, line 19, leave out 'in relation' and insert

', in particular, with respect'.—*[Mr. Raynsford.]*

Schedule 20

FURTHER AMENDMENTS OF THE REGIONAL DEVELOPMENT AGENCIES ACT 1998

Amendments made: No. 131, in page 253, line 22, at beginning insert 'In'.

No. 132, in page 253, line 23, leave out from beginning to 'after' in line 25.

No. 133, in page 254, leave out line 25.

No. 134, in page 254, line 28, leave out 'subsection (6) above' and insert 'this section'.—*[Mr. Raynsford.]*

New Clause 35

SECRETARY OF STATE'S FUNCTIONS IN RELATION TO THE STRATEGY

'. After section 7A of the Regional Development Agencies Act 1998 there shall be inserted—

"Secretary of State's functions in relation to the London Development Agency strategy

7B.—(1) The Secretary of State may give guidance to the Mayor about the exercise of his functions in relation to the London Development Agency strategy with respect to—

(a) the matters to be covered by that strategy or that strategy as revised, and

(b) the issues to be taken into account in preparing or revising that strategy.

(2) Section 7(3) applies in relation to the issues mentioned in subsection (1)(b) as it applies in relation to the issues mentioned in section 7(2)(b).

(3) The Mayor is to have regard to any guidance given under subsection (1).

(4) Where the Secretary of State considers—

(a) that the London Development Agency strategy (or any part of it) is inconsistent with national policies, or

(b) that the London Development Agency strategy or its implementation is having, or is likely to have, a detrimental effect on any area outside Greater London,

he may direct the Mayor to make such revisions of the strategy as may be specified in the direction in order to remove the inconsistency or, as the case may be, the detrimental effect or likely detrimental effect.

(5) Where the Secretary of State gives the Mayor a direction under subsection (4), the Mayor shall revise the London Development Agency strategy in accordance with the direction.

(6) Where the Mayor revises the London Development Agency strategy in accordance with subsection (5), section 7A(8) and section 34 of the Greater London Authority Act 1999 (consultation about strategies) shall not apply.

(7) For the purposes of this section "national policies" are any policies of Her Majesty's government which are available in a written form and which—

(a) have been laid or announced before, or otherwise presented to, either House of Parliament, or

(b) have been published by a Minister of the Crown."'.—*[Mr. Raynsford.]*

Brought up, read the First and Second time, and added to the Bill.

Schedule 21

THE METROPOLITAN POLICE AUTHORITY: SCHEDULE 2A TO THE POLICE ACT 1996

Mr. Simon Hughes: I beg to move amendment No. 29, in page 256, line 32, leave out 'appointed' and insert 'elected'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 30, in page 256, line 39, leave out 'appointed' and insert 'elected'.

No. 31, in page 256, line 45, leave out

'appointed by the Mayor of London'

and insert

'elected by the London Assembly'.

No. 32, in page 257, line 4, leave out 'Mayor' and insert 'London Assembly'.

No. 33, in page 257, line 6, leave out 'appointment he' and insert 'election it'.

Mr. Hughes: The self-contained issue that we shall now consider is not new. The group of amendments before us relates to what is currently schedule 21 to the Bill—the schedule inserting into the Police Act 1996 a schedule setting up the Metropolitan police authority.

The Bill says that the Metropolitan police authority shall consist of 23 members, 12 of whom shall be

"members of the London Assembly appointed"

by a process set up under paragraph 2. Then seven more people shall be appointed by a different process, and four magistrates. Paragraph 1(2) is a provision regarding other number permutations.

The provision for appointment, which follows in paragraph 2, is that

"The members of the Metropolitan Police Authority"—

those 12 people—

"shall be appointed by the Mayor of London in accordance with this paragraph."

The last provision relates to paragraph 2(3), which states that the mayor shall make sure that, as far as practicable, the members for whose appointment he is responsible reflect the balance of parties for the time being prevailing among the members of the assembly. The Government are proposing an appointment process that is meant to reflect the balance of the assembly. The second part is welcome, but we are still unhappy about the first.

As the Under-Secretary of State for the Home Department, the hon. Member for Vauxhall (Kate Hoey) and her colleagues know, we greatly welcome the setting up of the Metropolitan police authority, not just because her party in opposition and our party in the previous Parliament argued for it, as the record of the annual police debates in the House shows, but because the Metropolitan police have argued for it under both the present commissioner and his predecessor. They wanted someone other than the Home Secretary to be the Metropolitan police authority.

Under the present nonsensical arrangement, the Home Secretary, in Gilbert and Sullivan style, is both the Home Secretary of Britain and the police authority for London. He must therefore ask himself for permission to take certain measures, and give himself permission in reply.

[Mr. Hughes]

The Government could quite reasonably have provided for the assembly to choose the members of the police authority, but instead they have insisted that the mayor choose them. That was reflected in the previous debate, in which my hon. Friend the Member for Kingston and Surbiton (Mr. Davey) intervened. There is no reason for the assembly not to choose its own representatives. It would still be possible for them to reflect the political balance of the assembly.

If there is to be a Metropolitan police authority, as one of the functional bodies under the Bill, there is no reason why it should not be for the assembly to elect the members, rather than for the mayor to appoint them. This is another example of too much power to the mayor and too little to the assembly.

We have rehearsed the arguments. The Government say that the mayor is the executive and effectively the assembly has only a consultative, deliberative or scrutinising role. We do not believe that that is the right balance. Londoners would be far happier if the 12 members of the Metropolitan police authority were chosen by the assembly from among its number, rather than being appointed by the mayor.

Mr. Ottaway: As the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said, we debated the matter ad nauseam in Committee. The Minister will know what I mean. I can tell the Liberals that we have got the message. We know that they want the assembly to have more powers. They may think that they are making fresh points, but we have heard it all before. We realise what they want, but the assembly is not such a structure.

I cannot say that we agree wholeheartedly with the Government on the Bill, but we agree that the mayor, if there is to be one, should be strong, or strongish, and the assembly should not have a veto over the appointment of a body such as the police authority. The reason for that, and I imagine the reason why the Government have chosen such a structure, is to avoid recreating the old Greater London council.

I am wary of going into what went on at the GLC while the hon. Member for Brent, East (Mr. Livingstone) is in the Chamber, as I know that he will pull me up and say that that is not how it was. In those days, as an ordinary member of the public, living and working in London and travelling on his underground system and so forth, I was aware of shenanigans going on in police committees. Committees were set up—I do not know what their status was, but the GLC was used as a vehicle to express views on police matters.

Mr. Livingstone *rose—*

Mr. Ottaway: I thought I might be inviting trouble. Here we go.

Mr. Livingstone: While the incoming Labour GLC established a police committee that met in public, that merely brought into the public domain the secret meetings—from which the public and the opposition were excluded—that took place between the Metropolitan police and the former Tory leader Sir Horace Cutler and his policy committee.

Mr. Ottaway: Yes, but as far as I was aware, the committee was not a formal part of the structure, or rather, there was no statutory requirement to have it.

Mr. Livingstone: That is exactly the point. The Labour GLC did things in public; the previous Tory GLC had private meetings with the police from which the opposition and the public were excluded.

Mr. Ottaway: Yes, but the point is that neither administration needed to have any meetings—they were ad hoc. The fundamental complaint against the GLC was that it was becoming a regional power base and it was being used for all sorts of things that were well beyond its statutory remit. I would have no difficulty with the hon. Member for Brent, East setting up committees to talk about this and that if he were mayor of London. That is the stuff of politics. The point is that that is the sort of thing that brought the GLC into disrepute. My concern is that if appointments to the new Metropolitan police authority become a political issue, we will run into all the old problems and the committee will become a political football.

Mr. McDonnell: It is important to get the record straight. The GLC was the collector of the Metropolitan police precept. At that point in time, the setting up of a police committee allowed Londoners the opportunity to debate how the precept could be spent and to inform the Metropolitan police of their views. Many of the views expressed then have been taken on board as key policies in the development of the Metropolitan police, including representation, consultation with local communities and ensuring that ethnic minorities are involved. The committee ensured a discussion about equal opportunities. Many of the discussions in the police committee, which was chaired by a current Home Office Minister, elaborated on what would be the consequences, in particular for London's multicultural society, if we did not take it on board that Londoners should have adequate representation on bodies such as the GLC's police committee.

Mr. Ottaway: I have no trouble with that. I said at the outset that I had no problem with what was going on. The point was that, as an ordinary member of the public in those days, I had the vision that the police were being made into a political football under the old GLC. That is my point and I am sure that the House will appreciate the clarification that ex-members of the GLC are bringing to this debate. They must recognise that, in the eyes of most people, that is why it was seen as becoming a political football.

Under the old GLC and the first-past-the-post electoral system, one party or the other won and the result was clear. It is highly likely that we will not have a clear winner in the GLA elections next year. The Labour party may get 40 per cent. and the Conservatives 35 per cent., or perhaps vice versa, and the balance of the votes will be for the Liberal Democrats. We just do not know. No doubt the Labour party and the Liberal Democrats will get together, knowing the sort of coalition that they go in

for now, and do some sort of deal. I do not think that that is desirable. If there were a clear, overall winner, there would be something in the system, but the form of proportional representation that we are to have for London and which we will have in Scotland is fairly ridiculous—it is probable that by next Friday the Liberal Democrat party will be in coalition with the Labour party in Scotland.

Mr. Simon Hughes: I hesitate to rise because we have been debating this matter for so long, but surely after all these years the hon. Gentleman is not seriously arguing that if a party does not get a majority of the votes it should have the majority of seats and do what it likes, either in London or Scotland. Surely he cannot believe that any more.

Mr. Ottaway: I am not sure of the hon. Gentleman's argument. Is he saying that if no party gets a majority, Labour and the Liberal Democrats will not enter into a dialogue over the Government of Scotland.

Mr. Hughes *rose—*

Mr. Deputy Speaker: Order. I think we have had enough of tartan tales.

10.15 pm

Mr. Ottaway: I do not question your ruling, Mr. Deputy Speaker, but we are questioning the method of appointment to the Metropolitan police authority. The relevant point is that if there is a minority administration in the new London authority, a deal will have to be struck between parties to form a majority to make the appointments to the authority. Exactly the same method of election will be used in Scotland and Wales as we shall have in London, leaving aside the 5 per cent. threshold agreed earlier this evening. With respect, that is why it is fair to draw comparisons between what will go on in Scotland later this week and what could well go on in London if the amendment were accepted.

Let no one be under any illusion as to what is going on. I have here a poster that happens to emerge from Castle Point council elections, which are due on Thursday. It says:

"The local Liberal Democrat Party have chosen not to contest seats at the Castle Point Council elections on May 6.

Liberals can still exert their democratic influence in Castle Point. You can help choose who runs your council for the next four years. New Labour is closer to Liberals in both principle and policy. Do not stay at home and waste your vote. Vote Labour."

Mr. Deputy Speaker: Order. I have been as generous as I can with the hon. Gentleman, but this is absurd.

Mr. Ottaway: I recognise that I may have pushed my luck, but the point is that there is a lot going on between the parties, and that is what would happen if we got into the situation that the amendment would create.

Mr. Gapes: I should like to bring the hon. Gentleman back to London, if he does not mind. He talked about dirty deals. Is he aware that in the London borough of Redbridge, the Conservatives and Liberals combined to push through a joint budget and the Liberals put the Tories in as a minority administration? The yellow and the blue Tories joined together in Redbridge.

Mr. Deputy Speaker: Order. I hope that the hon. Gentleman will not be tempted further down that road.

Mr. Ottaway: I would be, Mr. Deputy Speaker, if it were not for your ruling.

The proportional representation system that is being foisted on the people of London is the root cause of our concerns. It is possible that people will not be able to agree who are the best candidates, and that it will be necessary to reach a compromise.

Mr. Patrick McLoughlin (West Derbyshire): Does my hon. Friend find great irony in the fact that we would probably be very happy for the hon. Member for Brent, South (Mr. Boateng) to say who should be a member of the police authority, as he has said what an awful mayor the hon. Member for Brent, East (Mr. Livingstone) would make?

Mr. Ottaway: It is not for us to probe into quarrels between neighbours, but the story was in the *Evening Standard*. It seemed to show a radical split between Brents, East and South. Given that the hon. Member for Brent, South is a Home Office Minister and would be closely involved in the matter, it is a highly relevant point that my hon. Friend the Member for West Derbyshire (Mr. McLoughlin) makes. He is from Derbyshire, but he takes a close interest in London matters. It is a valid point.

The serious point is that the consequence of the amendment would be a compromise. The new authority would become a political football. It would be reminiscent of all the old weaknesses of the GLC. Under those circumstances, we do not feel able to support the amendment.

The Parliamentary Under-Secretary of State for the Home Department (Kate Hoey): I welcome the support of the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) for the setting up of the Metropolitan police authority. I am pleased that the official Opposition seem to be moving towards supporting it. However, the effect of the Liberal Democrat amendments, especially amendment No. 31, would be to have the 12 assembly members elected by the assembly rather than appointed by the mayor. All the other amendments are consequential on that amendment.

As has been pointed out, the matter was debated in Committee, if not ad nauseam, then for a very long time. At that stage I resisted identical amendments, two of which were supported by Conservative Members. I am afraid that I have not been persuaded to do other than resist these amendments now.

Amendment No. 31 is another illustration of the real theme expounded by the Liberal Democrats throughout the Committee stage. They wanted to extend the powers of the assembly at the expense of the mayor. I do not want to repeat the arguments about why we have struck a balance between the mayor and the assembly that was endorsed by Londoners in the referendum; but I will repeat my firm rejection of any argument that the amendments are justified on the basis that they would

[Kate Hoey]

bring the process of appointing members of the Metropolitan police authority, and the composition of its membership, into line with the process applying to other police authorities. Such an argument fails to take account of the unique model of governance that is being created for London, and ignores the existence of the mayor's strong strategic role.

We regard the power of appointment as crucial to the mayor's ability to take a high-level and strategic interest in the Metropolitan police authority's efforts to tackle crime and maintain an efficient and effective policing service in London. Moreover, the role is consistent with the mayor's power of appointment to the other three functional bodies. We do not want any dilution of the mayor's power in this respect.

The argument to which I have referred also ignores the split for which the Bill provides between the executive function of the mayor and the scrutinising function of the assembly. As we pointed out in Committee, local councils outside London combine those roles. It is simplistic to argue that, because local councillors elect their own members to police authorities, the assembly should elect its own members to the MPA. That incorrectly assumes that the assembly and local authorities are directly comparable, which they are not. However, I remind hon. Members of the requirement for the mayor to ensure that, as far as is practicable, his or her appointments reflect the balance of parties in the assembly.

I know that the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) feels strongly about his amendments, but I think he also knows how strongly we feel. The mayor will have a crucial role in establishing the MPA and choosing its membership from the assembly. I hope that, in the light of what I have said, the hon. Gentleman will withdraw his amendment.

Mr. Simon Hughes *rose—*

Mr. Peter Brooke (Cities of London and Westminster) *rose—*

Mr. Deputy Speaker: I call Mr. Simon Hughes.

Mr. Hughes: On a point of order, Mr. Deputy Speaker. I am happy to allow the right hon. Member for Cities of London and Westminster (Mr. Brooke) to speak before me if he wishes to do so.

Mr. Deputy Speaker: I thank the hon. Gentleman. I did not realise that the right hon. Member for Cities of London and Westminster (Mr. Brooke) was trying to catch my eye.

Mr. Brooke: I had indeed been trying to catch your eye, Mr. Deputy Speaker, and I thank the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) for drawing it to your attention.

Responding to various amendments that the Liberal Democrats had tabled in Committee, the Minister argued that the existence of an alliance between the Liberal Democrats and the official Opposition was not in itself a reason for her to be convinced by our arguments. I said that the fact that she held the strong views that she expressed in Committee did not in itself constitute a reason for us to pay any attention to them, and that no greater logic was involved in the fact that her views were strong than in the fact that there was an alliance. Some might say, on the strength of the conduct of the Committee throughout, that the fact that the official Opposition and the Liberal Democrats found something on which they both felt strongly, and in unison, was itself a suggestion that they might be right and the Government wrong.

The Minister has again cited the strong strategic role. You did not have the excitement and privilege of listening to our debates in Committee, Mr. Deputy Speaker, but I can tell you that a consistent element was the attempt to find out whether the Government were introducing new clause after new clause, and rewriting the Bill as they went along, because they were smarting at claims made outside the House that the Secretary of State was being given all the powers and the mayor was not being given any, or because they had not actually written the Bill before Second Reading, and the cover was giving the Secretary of State powers in the first instance that could then be transferred to the mayor in the new clauses.

I accept that, although it took a long time, by painful extraction, to get an admission out of the Government, they acknowledged in the end that they had listened to criticism not only outside but in Committee, and had therefore decided to transfer powers to the mayor.

It has to be possible that the strong strategic role for the mayor to which the Minister alludes in the instance of the Metropolitan police authority was originally put in as a counterbalance to the criticism that all the powers were with the Secretary of State. That is not in itself a reason for the mayor to have a strong strategic role in the police authority.

The issue is essentially the principle of election against that of appointment. In Committee, I expressed surprise that the present Government should be so averse to election and so insistent on appointment. The view that has been expressed by the Opposition, not only in the Committee upstairs, but in the House now, is pluralistic: it is desirable that power should be moved down in any organisation, and any organisation where it is moved down is likely to be healthier than one where power is centralised.

The difficulties that the Government have had with their devolution programme—I will not go too far down that particular alley—is that they cannot decide whether they want power to be devolved from the centre, or to be retained in a centralised capacity at the heart of government. There is a real tension, which has been patent to anyone who has watched the Government's devolutionary programme.

We owe a debt to the Liberal Democrats for having brought the issue back to the House. The fact that the Minister sought to discredit the argument by linking it to other arguments that the Liberal Democrats have advanced, with which we might not have agreed—although we are in total agreement on the subject of election to the Metropolitan police authority—is not of itself an Exocet through the Liberal Democrats' argument. The hon. Lady repeated the arguments that she used in Committee. I personally thought that she had some obligation to do rather more than she did in Committee, when she spoke for six and a half paragraphs in response to the Opposition's points.

In essence, the argument that the Minister has deployed on the issue, which is extremely important to the future of London, is that, because what the Government are proposing is different from what we have had in the past, everything about it should be different. As a Conservative, with a large C and a small c, I do not find that argument persuasive.

Mr. Simon Hughes: I am grateful that the right hon. Member for Cities of London and Westminster (Mr. Brooke) had a chance to speak. He led for the Conservatives on the issue in Committee. We were grateful to him then, as we are now. Like him, I listened to the Minister's reply and found unconvincing the simple logic that, because at least some of the other agencies that will be set up by the Greater London Authority—functional agencies, as they are described—have to have a particular shape, it follows that the Metropolitan police authority has to have a particular shape.

I reflect on the speech of the hon. Member for Croydon, South (Mr. Ottaway), who tried to describe how the proposals that we were putting forward were dangerous because they reflected an electoral system that was in the Bill, which gives proportionality to the make-up of the assembly. We argue that it would far better for an assembly that was representative of the votes that were cast in London to choose the members of the police authority, rather than the mayor who, first, might not have won a majority in being elected; secondly, might be some way off having won a majority, even of those who cast their votes; and thirdly, might have won by a handful of votes, whether or not he or she had a majority. As a result, the mayor would be vested with all the power. In choosing the representatives of the Metropolitan police authority, it would be better to have the power shared, rather than concentrated.

The right hon. Member for Cities of London and Westminster shares a second argument with us. The Minister said that we should not draw a parallel with other police authorities in England, whose representatives are selected not by the chair of the authority, or by some other individual, but by members of the authority. She said that we should not follow the same logic here. She argued that it did not apply because the Metropolitan police authority is a different sort of police authority.

10.30 pm

The Metropolitan police service has a particular London focus, with some diplomatic and royal responsibilities, and it is bigger than other police services in the United Kingdom. However, it does not necessarily follow that the general principle established across England some years ago—when police legislation was amended providing a tripartite structure for police authorities, comprising magistrates, local authority representatives, and those chosen by the two groups—should not apply also to London.

Liberal Democrat Members have also not been won over by the argument that we have to give the mayor the substitute power to appoint members, rather than allowing a process by which police authority representatives are chosen by London's councillors.

As the right hon. Member for Cities of London and Westminster said, thereby setting bells ringing, and as I said—which the Minister acknowledged, for which I am grateful—although the Government are ending the Home Secretary's role as London police authority and democratising the authority, which we welcome, we should still be trying—now, at the beginning—to get it right.

If the Government insist on their position, gradually the assembly will wish to assert its right to choose its representatives, not only in the police authority but possibly in other bodies. Londoners would prefer that the authority be a chosen, representative body, rather than an appointed one. I predict that—even if the Government get their way today, and sustain their position when the Bill goes to the other place—the logic of their position, and its consequences for representation of the people of London, dictates that that position will not hold for all time.

If policing in London is to be credible to the maximum number of Londoners, and if Londoners are really to believe that they have the best policing, more of their elected representatives should participate in the selection of the London police authority.

The Minister has reiterated the Government's position, and I realise that the Government will not give way on it. We shall therefore not press the amendment to a vote, as we did in Committee. Although we may well return to the issue in other debates, for now, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 234

APPOINTMENT OF COMMISSIONER.

Kate Hoey: I beg to move amendment No. 146, in page 127, leave out lines 18 to 22 and insert—

'(5) Before recommending to Her Majesty that She appoint a person as the Commissioner of Police of the Metropolis, the Secretary of State shall have regard to—

(a) any recommendations made to him by the Metropolitan Police Authority; and

(b) any representations made to him by the Mayor.'.

Mr. Deputy Speaker (Mr. Michael J. Martin): With this, it will be convenient to discuss the following: Government amendments Nos. 147 to 149.

Government new clause 47—*Appointment and removal of commanders*

Government new clause 48—*Other members of the Metropolitan Police Force.*

Government amendment No. 150.

Kate Hoey: This group of amendments is concerned primarily with the appointment of Metropolitan police officers. There are also provisions on the removal of Metropolitan officers, and some miscellaneous matters.

I should like to speak first to amendments Nos. 146 and 147, which deal with appointment of the Commissioner of Police of the Metropolis and the Deputy Commissioner of Police of the Metropolis. As I informed the Committee when we were debating the Bill's current provisions, it has always been our intention that the Metropolitan police authority shall have a role in the appointment of those two officers. Amendments Nos. 146 and 147 fulfil the commitment that I gave to the Committee that we should table amendments enshrining the MPA's role in the Bill.

[Kate Hoey]

Amendment No. 146 deals with the appointment of the commissioner. It provides that, before the Secretary of State makes his recommendation to Her Majesty, he shall have regard to any recommendations from the MPA and any representations from the mayor.

Amendment No. 147 makes equivalent provision for the appointment of the deputy commissioner—except that the commissioner, rather than the mayor, will have the right to make representations.

The amendments give the MPA an important role in the appointment process. They are consistent with our policy of giving the MPA, so far as possible, the same powers and duties as those held by police authorities outside London. They also take account of recommendation 6 of the Macpherson report, on the appointment of chief officers of the Metropolitan police.

Hon. Members on both sides of the House will realise that the posts of commissioner and deputy commissioner are special ones. They head the capital's police force, which is the largest force in the country—20 per cent. of all police in England and Wales are in the Met—and performs a range of national and international functions far greater than those of police forces outside London.

Given the importance of the posts and the continuing responsibilities that the Home Secretary will have for the national and international functions of the Met, it would be wrong for the appointment of the commissioner and deputy commissioner to mirror exactly the appointment of chief constables. Our amendments reflect that. The appointments will remain royal ones and the Home Secretary will have the responsibility of making the recommendation to the Queen.

The precise arrangements for handling the appointments will be decided later, taking account as necessary of the outcome of the working group on leadership, which is currently considering the selection, training and support of senior police officers. We envisage the MPA identifying a few preferred candidates—probably between two and four—and submitting details and recommendations to the Home Secretary. He would then make his recommendation to Her Majesty having regard to that list and any representations made by the mayor.

We believe that the amendments strike the right balance. Through the MPA and the mayor, they will give Londoners a say in who will lead the capital's police service, while recognising the distinct nature of the appointments and the need for the Home Secretary to play a more active role than he does in chief constable appointments.

New clause 47 makes provision for the appointment and removal of commanders, similar to clause 238 in respect of assistant commissioners. It gives the MPA the same role in their appointment and removal as police authorities outside London have in respect of assistant chief constables, to whom commanders are regarded as equivalent in rank. The MPA will be able to appoint commanders or call on them to retire, subject in both cases to the approval of the Home Secretary. That is consistent with the general policy of the Bill that the powers and duties of the MPA should, as far as possible, be the same as those of police authorities outside London. It is also consistent with Macpherson recommendation 6.

Amendment No. 149 is related to the new clause. Paragraph 84 of schedule 22 provides that the Home Secretary may require the MPA to exercise its power to call on the commissioner, deputy commissioner or an assistant commissioner to retire, but before the Home Secretary does so, or approves a request by the MPA to sanction such a removal, the individual in question has a right to make representations to the Home Secretary. Now that we have made specific provision in the Bill for the arrangements governing the removal of commanders, we wish to apply the provisions of that paragraph to them as well as to the three commissioner ranks. Amendment No. 149 achieves that. For the sake of clarity, it also lists the four senior Met officer ranks to which the paragraph now applies.

New clause 48 is concerned with the remaining ranks of the Met. It lists those ranks below commander that may be held in the Met—superintendent, chief inspector, inspector, sergeant and constable. It also provides that their appointment and promotion are to be made by the commissioner in accordance with regulations under section 50 of the Police Act 1996. The new clause mirrors the provision made for forces outside London by section 13 of the 1996 Act. In effect, it replaces sections 4 and 5 of the Metropolitan Police Act 1829, which provide the current basis for appointing all Met ranks below that of assistant commissioner to be repealed by the Bill. That is another example of the Bill aligning arrangements in the Met with arrangements elsewhere.

Amendment No. 148 is also purely technical. It removes a reference in section 1(3) of the 1996 Act, which will no longer be required once the boundaries of the Metropolitan police district are redrawn to bring them into line with the outer boundary of Greater London. Provision for changing the MPD boundary is contained in clause 239. We intend that those changes will take place on 1 April 2000.

The amendments and new clauses set the right legislative framework for the appointment and removal of officers in the Met. They are a positive step forward in the policing of London, and I commend them to the House.

Mr. John Greenway (Ryedale): I am glad to have the opportunity to contribute briefly to proceedings on the Bill in relation to the Metropolitan police. These are important amendments because we need there to be public confidence in the Greater London Authority and in the Metropolitan police authority which the Bill creates. There must be confidence in and support for the leadership of the commissioner, his deputy and senior officers. Equally, there must be a structure to ensure that those important appointments are not subject to unnecessary political interference. On the whole, the way in which the Bill will be structured if the amendments are passed strikes the right balance.

The importance of leadership in the Metropolitan police has been debated recently. We have exchanged views in the House about the Macpherson report, to which the Minister referred; particularly its sixth recommendation. Following the publication of the report, some called for the commissioner to resign. The general view in the House was that that would have been a retrograde step. The House sought to strike a balance between an acceptance that some criticism was valid—that the police had made mistakes and were willing to accept that, in some respects, leadership may have been lacking—and a

reaffirmation that the police service in London was one in which the people of London and the country as a whole could take justifiable pride.

No one could have anticipated the circumstances of the past two or three weeks, and the extent to which those events have enabled the police to show how professional, resilient and courageous they are. All of us would rather that that professionalism and leadership could have been displayed without so many lives being ruined by the bombs in Brixton, east London and Soho—a part of London that I used to police all those years ago.

The House must reflect that such is the nature of policing: it will always be like that. The tragedies, the unforeseen incidents and the terrorism in London over the past 10 or 20 years—including some high-profile, almost catastrophic incidents—have been where the importance of the leadership of the Metropolitan police has been most evident. I should like to place on record tonight our overwhelming support for and tributes to the work of Metropolitan police officers in recent days.

I have been with the commissioner and the hon. Member for Brent, East (Mr. Livingstone) at a police and parliamentary scheme dinner in the other place. It would be fair to reflect that everyone supported what the police have achieved. We must ensure that the arrangements for the appointment of the commissioner and deputy commissioner reflect the importance of the job that they do.

10.45 pm

I know that the Government have thought long and hard about how the appointments should be structured. There was a desire to ensure that the arrangements for the police authority should reflect the Police Act 1996 provisions while acknowledging that London is a special case. My right hon. Friend the Member for Cities of London and Westminster (Mr. Brooke) pressed that point in Committee. The events of the past two or three weeks are a stark reminder of that.

How can one ensure that those who have a valid contribution to make in the appointment process for the commissioner and the deputy—who will from time to time perform the functions of the commissioner and may later go on to become commissioner—can have that opportunity, while maintaining the final say in the right place?

In other forces, the police authority effectively chooses the chief constable and the Home Secretary approves. The amendments would set up a system that is better for London, whereby, effectively, the Home Secretary recommends to Her Majesty and she appoints—the public will have more confidence in that, given the special nature of London—but there is a mechanism for the police authority to make recommendations. The emphasis is different.

My right hon. Friend the Member for Cities of London and Westminster did a noble job of speaking for the Opposition on these matters in Committee. In preparation, he and I cast our eye carefully over the relevant clauses to ensure that the balance was right. The one glaring deficiency was that there was no mechanism for the police authority to be consulted. I have read the *Hansard* report, and I am glad that the Minister said not that there had been an oversight but that the Government intended to deliver such a mechanism. The time spent in finding the right form of words has been well spent. We are comfortable with the provisions as they will stand under amendments Nos. 146 and 147.

The provisions of the Police Act 1996 are relatively recent. We are glad that the Government have decided to replicate those provisions. Such early confirmation of them is welcome. The Minister may smile, but it is important that, as far as possible, there should be cross-party agreement on such matters, given the seriousness and importance of what we are trying to achieve. That is equally true for the arrangements under which commissioners and senior rank officers, in any police force, could potentially be required to retire, but it is especially true for the four Association of Chief Police Officers ranks in the Metropolitan police, from commissioner down to commander.

It is important that the House understands how the mechanisms work. While it is right to make a different case for London for the appointment of commissioner and deputy commissioner, it is probably fair that the mechanisms for their removal are the same as those elsewhere. For reasons that I shall explain in a moment, that will give some added protection.

Under section 11 of the Police Act, the police authority can ask a chief officer to go, but it requires the Home Secretary's approval, and he can say no. Under section 42, the Home Secretary can require a police authority to exercise its section 11 powers. That is a valuable reassurance for London, because if the power lies in the hands of the Home Secretary rather than the police authority, it underpins significantly the operational independence of the chief officer of police—in this case, the commissioner or his deputy. It also minimises the risk of any politically motivated witch hunt against such a senior officer.

The events of the past few weeks graphically illustrate the importance of ensuring that the structure is as it appears in the Bill. It also makes sense to ensure, as in Government amendment No. 149, that assistant commissioners and commanders are treated the same, because a commander is of equal rank to a chief constable. Indeed, many commanders go on to become chief constables. They are ACPO rank officers and should have special arrangements.

When I read Government new clause 47, I was surprised that we had not realised earlier that the Bill contained nothing about the appointment of commanders, who have an important role in the Metropolitan police. It is important for the House to note that a commander may not exercise the powers of commissioner, and that justifies the police authority appointing commanders, rather than the Home Secretary being required to do so.

We welcome the spelling out in Government new clause 48 of the ranks that will be maintained in the Metropolitan police. It is worth confirming that those ranks will continue. Of course, the chief superintendent rank was abolished in the aftermath of the Sheehy recommendations. There is some concern among serving police officers that as we move to a flatter management style—the Minister knows that we have discussed the issue before in police debates—the opportunities for promotion and advancement are reduced. I hope that the police service in London will be reassured by the inclusion in the Bill of the retention of those ranks. The continuing drive for greater efficiency in the police

[Mr. John Greenway]

service has meant that the shake-out of officers at senior ranks has led to fewer police officers overall in London, but there are more constables. There certainly were more constables when the previous Government left office, as I shall go on repeating at every opportunity.

As the Minister said, the remaining two amendments are entirely technical. They seem to be in order, in terms of the Police Act 1996.

I am glad to have had the chance to say a few words about the matter, as the creation of a police authority for London is an historic step. As we heard earlier, the political argument about it has gone on for years. Conservative Members have endeavoured to take a constructive approach, and the Bill's structure is as good now as it is likely to be. I know how much the commissioner is looking forward to having the support of the police authority. We wish the authority all success in its work of supporting the police in London.

Mr. Simon Hughes: As has been stated, this short debate is effectively the only one that will be held on the police in London. I have only a couple of remarks to make but, like the hon. Member for Ryedale (Mr. Greenway), I shall preface them by repeating what I said in Committee: all of us owe much affection and gratitude to the police officers who serve us every day.

The events of the past three weeks remind us of that. The first incident took place in Brixton, in the Minister's constituency, and was followed by bombs in Brick lane and Soho. All hon. Members have constituents and friends who visit those parts of the city regularly, as we do ourselves. I was invited to visit the Brick lane community the morning after the incident there, and the people I met were clearly very grateful for the regular service that the police provided. If the person who has been arrested and charged is found, by due process of law, to be guilty of the offences, that will be a further tribute to the speed of the police's detection and intelligence processes. It shows how quickly the police can act to deal with people who put at risk civil liberty and peace.

I do not want to repeat the debate in Standing Committee about the differences between the Metropolitan police and the other services. However, the Minister referred to one other recent event, the Liberal Democrat interpretation of which differs from hers. The report of the inquiry into the death of Stephen Lawrence, which has been debated in this House, referred to the way in which policing in London should be organised. We believe that police appointments in London should be made in a way that reflects the pattern of the other police services in England and Wales.

The Minister did not claim that the Government were implementing exactly the recommendations of the Lawrence report. She claimed—fairly, I think—that the Government's recommendations reflected the report. We acknowledge that and, although we think that the report wanted the Government to go further, that argument is for later. However, I accept that Government amendments No. 146 and 147 show that the Government have taken on board the point made in Standing Committee that the Metropolitan police authority and the mayor should play a part in the appointments of the commissioner—London's senior police officer—and of the deputy commissioner.

Liberal Democrat Members may differ with the Minister about whether the commissioner should be a royal appointment or a police authority appointment but, given that the Government want the appointment to be made by the monarch, we are grateful for the wider process of deliberation and consultation that will be undertaken before it is made.

11 pm

As the Minister said, amendment No. 148 is technical. Like the hon. Member for Ryedale, I had not spotted that we had not covered commanders in considering the senior officers and ensuring that there was a provision comparable to that pertaining to other police forces for their appointment and removal. I accept that the rank of commander is appropriate for inclusion in the provision. I was intrigued to learn—my homework had not gone so far—that new clause 48 amends in its wake an Act of about 1825, which was not long after the creation of the Metropolitan police. No doubt we will reach that repeal in the consequential amendments. It is in any case a logical amendment.

Given the Government's position on who should be charged with the appointment of the commissioner and deputy commissioner, and their decision that the system should be different from that elsewhere, the amendment improves things by involving more people, and the Metropolitan police authority, in the process: it tidies what was left untidy. To that extent, this group of amendments is welcome.

Mr. Brooke: The House understood why we did not have a statement this afternoon on the recent bombs and the charges laid by the Metropolitan police. Apart from anything else, that has given us more time to make progress on the Bill. However, it meant that there was no opportunity to pay tribute to the Metropolitan police for the remarkable speed of the detection that led to the charges. As the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said, if they are confirmed by the courts, it will have been a triumph. The third bombing occurred in my constituency, but it was the events in Brixton and Brick lane before the Soho bomb that led to the case. I apologise if I err in terms of sub judice, but I wanted to put my commendation on record.

Kate Hoey: I thank hon. Members for their support for the police and the amendments. In the past few weeks, we have seen the Metropolitan police at their best. We are very grateful for their work. We all hope that recent events will not be repeated. Where those terrible events have happened, our communities have made a united and determined attempt to pull together to fight against racism. It has brought communities together, certainly in my area.

This is an important moment for policing in London. We are moving forward with all-party support to the setting up of the Metropolitan police authority. I think that we have got the balance right. This was difficult, but important to achieve. As the hon. Member for Ryedale (Mr. Greenway) said, the people of London need to have confidence in the police, in the leadership of the police, and in the balance between their capital, national functions and their ordinary policing functions. I welcome hon. Members' support.

Amendment agreed to.

Clause 236

APPOINTMENT OF DEPUTY COMMISSIONER

Amendment made: No. 147, in page 128, leave out lines 10 to 14 and insert—

'(5) Before recommending to Her Majesty that She appoint a person as the Deputy Commissioner, the Secretary of State shall have regard to—

(a) any recommendations made to him by the Metropolitan Police Authority; and

(b) any representations made to him by the Commissioner.'.—*[Kate Hoey.]*

Schedule 22

FURTHER AMENDMENTS RELATING TO METROPOLITAN POLICE ETC

Amendments made: No. 148, in page 271, line 1, at end insert—

'Police areas

63A. In section 1 of the Police Act 1996 (police areas) in subsection (3) (references to local government areas) the words "but excluding any part of it within the metropolitan police district" shall cease to have effect.'.

No. 149, in page 274, line 34, leave out from 'upon' to 'retire' in line 35 and insert—

'(a) the Commissioner of Police of the Metropolis,

(b) the Deputy Commissioner of Police of the Metropolis,

(c) an Assistant Commissioner of Police of the Metropolis, or

(d) a Commander in the Metropolitan Police Force,

to'.—*[Kate Hoey.]*

New Clause 47

APPOINTMENT AND REMOVAL OF COMMANDERS

'After section 9F of the Police Act 1996 there shall be inserted—

"Commanders

9G.—(1) The ranks that may be held in the metropolitan police force shall include that of Commander.

(2) Any appointment of a Commander in the metropolitan police force shall be made by the Metropolitan Police Authority, but subject to the approval of the Secretary of State and to regulations under section 50.

(3) Subsections (1) to (3) of section 9E shall apply in relation to a Commander in the metropolitan police force as they apply to the Commissioner of Police of the Metropolis.

(4) Subsection (3) is without prejudice to—

(a) any regulations under section 50, or

(b) any regulations under the Police Pensions Act 1976.".'.—*[Kate Hoey.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 48

OTHER MEMBERS OF THE METROPOLITAN POLICE FORCE

'After section 9G of the Police Act 1996 there shall be inserted—

"Other members of the metropolitan police force

9H.—(1) In addition to—

(a) Commissioner of Police of the Metropolis,

(b) Deputy Commissioner of Police of the Metropolis,

(c) Assistant Commissioner of Police of the Metropolis, and

(d) Commander,

the ranks that may be held in the metropolitan police force shall be such as may be prescribed by regulations under section 50.

(2) In the case of the metropolitan police force, the ranks so prescribed shall include those of superintendent, chief inspector, inspector, sergeant and constable.

(3) In the metropolitan police force, appointments and promotions to any rank below that of Commander shall be made in accordance with regulations under section 50 by the Commissioner of Police of the Metropolis.'.—*[Kate Hoey.]*

Brought up, read the First and Second time, and added to the Bill.

Clause 251

PUBLICATION

Amendment made: No. 125, in page 135, leave out lines 11 to 15.—*[Kate Hoey.]*

Clause 259

AMENDMENTS OF THE TOWN AND COUNTRY PLANNING ACT 1990

Mr. Ottaway: I beg to move amendment No. 135, in page 139, leave out lines 8 to 24.

In Standing Committee, there was a considerable amount of debate over the mayor's planning powers and the scope of the spatial development strategy in its interaction with the London boroughs. There is no doubt that if ever there was a point of clash and conflict between the new authority and the London boroughs, it would be that of planning. While the Bill was in Standing Committee, the Minister announced in response to a parliamentary question that he had—I wanted to say "climbed down", but perhaps that is unfair—relaxed or softened the threshold at which the mayor could or could not intervene. Perhaps it would be better to say that he had raised the threshold. There are now fewer areas in which the mayor can intervene with his spatial development strategy.

In Standing Committee, I quoted extensively from *Estates Gazette*, because a number of learned people in the property world were most concerned. The Minister will be comforted to learn that *Estates Gazette* has now praised—slightly unfairly—his policy U-turn. I would call it a relaxation. *Estates Gazette* stated:

"Helical Bar's Gerald Kaye said: 'Inserting another raft of controls is unnecessary. Anything that reduces those restrictions is to be welcomed.'

Simon Silver of Derwent Valley said: 'I'd be glad if they've scaled it back, it's another tier of red tape.'"

The Minister could say that his parliamentary reply received one, or perhaps two, cheers from the property sector. Nevertheless, the fundamental concerns that existed in the Standing Committee still exist. We are justified in tabling the amendment and in asking the Government to spell out exactly how they intend to proceed.

The Government propose to add an unnecessary third tier to planning control in London, by allowing the mayor to direct local authorities to refuse planning permissions. That is a fairly odd state of affairs for the following reasons. The proposals have caused considerable concern

[Mr. Ottaway]

in planning and development circles. In the view of Conservative Members and of those in the development world, the proposals are unnecessary; they will cause delay, uncertainty and confusion. They add bureaucracy and harm competitiveness—in all honesty, the City of London's greatest concern is that its ability to compete with, for example, Frankfurt will be damaged. Following the Standing Committee, we must add to that indictment of the Government's proposals the charge of total incoherence.

Ministers say that, like the spatial development strategy, the mayor's power of direction is confined to matters of strategic importance; however, unlike their action in respect of the spatial development strategy, they refuse to write that into the Bill. The result is that local authorities and the Secretary of State have to apply a presumption in favour of the development plan when determining planning applications and appeals, but the mayor does not have to do so—he can ignore that cornerstone of planning law. That is a confusing state of affairs, to say the least.

To add a third tier of confusion, in Committee, Ministers tabled an amendment to allow the Secretary of State to prohibit the London boroughs from acting on the mayor's direction. The Minister said that that would apply while the Secretary of State decided whether to call in an application. However, the application would go to the Secretary of State anyway, on appeal. I tabled a parliamentary question asking the Secretary of State how many planning applications the Labour Government had called in after the relevant local authority had decided to refuse permission; the answer was not only unusually short, but unusually informative: none. Therefore, it is inconceivable that the power of call-in will be exercised in the manner suggested by Ministers.

Either Ministers do not understand the ministerial call-in, or the real purpose of the provision is to allow the Secretary of State to overrule the mayor. Throughout, we have argued that the mayor's power to direct refusal is unnecessary because it damages the competitiveness of London and is a bureaucratic muddle, but it now appears to be a ministerial muddle that could best be cleared up by deleting the provision from the Bill.

The Minister must realise that serious sums of money are involved, and that development is instrumental in and relevant to the prosperity of London's economy. The plain truth is that, if the planning system is such that it undermines confidence or causes concern in the development world, there will be no development. The Government should think hard about the mismatch in the powers of call-in in the Bill.

Mr. St. Aubyn: I have listened carefully to my hon. Friend the Member for Croydon, South (Mr. Ottaway) and I share his confusion about the Government's true intentions. I speak as one who, for several years, served on a local authority planning committee in central London. I was serving when the old GLC was abolished and recall that, in our part of London, there were peals of joy at that unnecessary layer of bureaucracy, which second-guessed and oversaw all our planning decisions, being done away with. At that time, the planning committee for Westminster council was considering early proposals for the development of Covent Garden, and I well remember what a blessed release the abolition of the GLC was to those of us who wanted a new and thriving Covent Garden, because it meant that the proposals would not suffer further delay by being subjected by that authority to trial by fire.

My concern about section 21A(9) of the Town and Country Planning Act 1990, which the Bill would add to that Act and the amendment would delete from the Bill, is that there appears to be no limit on how detailed the powers of the mayor might become. I agree with my hon. Friend that development activity in London would be curtailed and discouraged, and that it would cost more. I am sure Ministers understand that the longer and more uncertain the planning process, the harder it is to justify. Therefore, the developers' profits must be much greater before they are prepared to take a risk.

11.15 pm

It is worth considering what has happened to London in the years since the abolition of that centralised planning authority. Has London fallen apart? Has its pre-eminence vanished? On the contrary, for the past seven years, European business leaders have voted London the best city for business. London has left cities such as Paris, Brussels and Frankfurt in its wake. That is what has happened since that centralising force was abolished and the planning process was speeded up. That is a great tribute to the wisdom of the central London boroughs, which understood exactly what businesses needed and how to balance those needs.

I remember a proposal in the early days to return to residential accommodation some of the houses in central London that were developed into offices after the war. That happens all over the place now, but it was a rather revolutionary idea in the early 1980s. I have no doubt that the Greater London council would have stopped that change of use in its tracks. It would have regarded the proposal as appealing to the overly wealthy without recognising that there is an important constituency in central London that helps businesses to thrive and with which the local council—in this case, Westminster—was far more in tune than the GLC.

There is also a confidentiality aspect. In the course of our discussions, which enjoyed cross-party agreement within the council, we became aware of the extreme commercial sensitivity of the matters under consideration. We were advised by our officers that, if certain information was revealed to the wider world, it could have an impact measurable in tens of millions of pounds in today's money. To the council's great credit—it was also proof of its probity—that did not happen. By retaining the confidentiality of all concerned, a change of policy and a very satisfactory result was achieved in central London. Many former offices became residential accommodation, in line with the wider planning process, and the wider needs of London and the heritage lobby, which has not stopped singing the praises of that policy.

Imagine what would happen if such a proposal were advanced under this Bill. What reassurances can the Minister provide that confidentiality will be maintained? How may we be assured that a future mayor of London, who may not be in tune with the planning needs of a particular borough, will understand the import of such a decision? How can we be sure that a mayor of London

who is hostile to the political direction and will of the people of a particular borough will not use the Bill's powers to frustrate them?

I alight upon an example from my ward of Paddington and Little Venice, which I represented for four years. A group of houses in the area had been used as hotel accommodation. However, when the hotel closed and the accommodation was no longer required by the national company involved, it was proposed to develop the houses either as a rehabilitation centre for those recovering from alcohol and drug abuse or as residential accommodation. As the local councillor, I explained to the council that I had no doubt that the people in my ward wanted to see more residential accommodation in the area. It would be unsuitable to place a drug and rehabilitation centre, which would place local children at risk, in the middle of a residential area.

However, the Greater London council, at that time under the leadership of the Labour party and the present hon. Member for Brent, East (Mr. Livingstone), was very much of a mind that it wanted to introduce such a rehabilitation centre. Only by prevailing on the landowner—the Church Commissioners—were we able to ensure that the future of that block of property was in keeping with the requirements and desires of local people, not the political imperatives of the group in charge at County hall. The planning process did not enable us to do so.

What guarantee will the Minister give tonight that we shall not, at some time, find the new Greater London Authority under the aegis of a group and a mayor who have their own political imperatives, and who seek to ride roughshod over the desires and wishes of a local community whose local council is of a different political hue? That is the key issue, which must be addressed tonight. If it is not, London's success will be in jeopardy.

That success has been recognised as far away as the United States. A few years ago, it was reported in *Fortune* magazine that

"The city once had the highest unemployment of any European capital, but today it has the lowest".

When politics intervenes in the planning process, jobs are at stake. Local authorities recognise the local need for jobs, and the local desires of their community, in a way that the previous example of a Greater London authority signally failed to do.

As I understand it, the purpose of amendment No. 135 is to probe the Government to make them aware of those significant concerns. How do they propose to protect people in their communities in London from the GLA's becoming the political tool of people who are politically driven in a different direction?

Mr. Raynsford: It is instructive to note the difference between the tone of the debate on amendment No. 135 and the tone of the debate on the preceding group of amendments.

In the preceding debate, the opposition parties adopted a highly constructive and non-partisan approach, and sought to reflect the genuine concern that we achieve a balance between, on the one hand, the new powers of the Greater London Authority, Metropolitan police authority and mayor and, on the other, the existing arrangements for oversight of the Metropolitan police. By contrast, as we have debated amendment No. 135, the Opposition have reverted to their characteristic partisan line of denigrating the proposal by means of generally wide-of-the-mark generalisations, rhetoric and comments that fly in the face of any logic or understanding of the way in which London operates.

I must tell the hon. Member for Guildford (Mr. St. Aubyn) that I fail to recognise his description of the City of Westminster as a paragon of probity and foresight in planning. Anyone who has experience of the machinations of that authority over the past 10 years would form a very different view.

The hon. Member for Croydon, South (Mr. Ottaway) said that our proposals in relation to the mayor's planning powers were neither necessary nor coherent. He thought that they would harm London's competitiveness—that they would be bureaucratic. He is completely wrong, and he was obviously not paying attention to the debate earlier this evening about the three principal purposes—the three pillars—of the new authority: a duty to promote economic development and wealth creation, a duty to promote social advancement and a duty to promote environmental improvement. Of course, planning is fundamental to bringing all those three together, because the authority will have an obligation to achieve coherence between its three principal purposes.

The authority will therefore require powers to intervene at a strategic level. That is far from the framework that existed under the old GLC. Much more detailed intervention powers were available to the GLC, and that resulted in unnecessary and sometimes time-wasting conflict between the GLC and the boroughs. We recognise that there was an overlap, and we have sought not to repeat it. We have tried to establish a clear distinction between the strategic level, which will involve the mayor, and the day-to-day handling of planning responsibilities, which will remain with the London boroughs.

If the mayor is to exercise a strategic oversight, he or she must have a means of intervening in the decision-making process where issues of genuine strategic importance are concerned. The special development strategy will set the framework for the mayor's policies but, even with a plan-led system, the success or failure of strategic policies is ultimately determined through individual development control decisions.

We are proposing that the mayor should become a statutory consultee for certain strategic planning applications. That will allow the mayor to represent the pan-London view on those applications. In addition to being a statutory consultee, the mayor will be able to direct a borough to refuse planning permission for those applications on strategic grounds.

Sir Sydney Chapman: I am grateful to the Minister for giving way to me for the third time today. If the mayor directs a planning authority to refuse an application, the applicant has the right to appeal to the Secretary of State. If the Secretary of State upholds the view of the applicant and grants planning permission, will the mayor be responsible for the costs involved? If that is the case, why the chimera of pretending that the mayor has any powers at all?

For the third time, I intervene to ask the Minister whether the Government are devolving power. If the mayor acted as the Secretary of State in London on planning matters, whether we agree with that or not, at least it would be

[Sir Sydney Chapman]

clear cut, but that is not the case. The Government are not giving any powers to the Greater London Authority, through either the assembly or the mayor.

Mr. Raynsford: I have great respect for the hon. Gentleman, who has considerable expertise in these matters, but he is wrong. There is a need for a strategic Londonwide role. However, we do not propose that that role should replace the power of the Secretary of State. In the case of London uniquely, that would remove the ability of an applicant to appeal to the Secretary of State as the final arbiter. We believe that that final recourse to the Secretary of State should remain, in London as everywhere else.

We are seeking to create a framework in which the mayor can intervene at a strategic level, but we shall maintain the safeguard of the appeal to the Secretary of State. If a matter were considered by the Secretary of State on appeal, the mayor would have to defend his or her direction at any subsequent inquiry and could be liable to costs, if it were found that he or she had acted unreasonably. That is a proper discipline, which would apply in the case of any other authority that had refused permission, where the case was subsequently considered on appeal by the Secretary of State.

A consultation exercise on the type of application on which the mayor should be consulted was issued last year. I published my final response on 15 March. The hon. Member for Croydon, South acknowledged that we had listened to representations during the consultation period, and that we had modified the categories to ensure that only issues of purely strategic significance would be subject to the statutory consultee procedure and therefore the right of direction.

Mr. St. Aubyn: Will the Minister confirm that the assurances that he is giving us will all have to be contained in what is described in the clause as a development order, as those restrictions on the power of the mayor are not contained in the clause?

11.30 pm

Mr. Raynsford: Of course. If the hon. Gentleman is familiar with the planning process, he will recognise that a great deal of detail is inevitably set out in development orders or specific planning policy guidance. Clearly, it would be inappropriate to put that level of detail on the face of legislation, as that would make it difficult to amend at a future date. The hon. Gentleman will know that we debated and discussed the categories of development that might be subject to mayoral powers of direction. We concluded that the categories should be very large-scale development, including major residential developments of more than 500 units or 10 hectares. In a few years, circumstances may lead to the view that that should be amended. Clearly, it will be easier to do so by secondary means, rather than a change in legislation. That is always the case with planning matters and it will be no different for these proposals.

As well as large-scale developments, we also prescribe those that could have an impact over a wide area, those that concern major new infrastructure proposals and those that could have a significant impact on key strategic policies or that may affect key strategic sites. The announcement set out those categories in more detail and will be taken forward through secondary legislation.

Amendment No. 135 undermines the mayor's ability to intervene in those cases. It is not a probing but a wrecking amendment. If it were agreed, it would completely destroy the ability of the mayor to act strategically and prevent him or her from intervening. The amendment would delete from clause 259 the ability of the Secretary of State to give the power of direction to the mayor.

I repeat that it is not our intention to let the mayor interfere in day-to-day matters that are better left to the boroughs. As I explained at length in Committee, our plans are designed to ensure that decisions are taken at the right level. The boroughs will still be the local planning authorities for their areas and, as my response to the consultation exercise made clear, the applications that the mayor will see will be truly strategic and limited in number. We estimate that it will be around 150 to 250 planning applications out of some 70,000 submitted in London each year. That puts it in perspective.

One is talking not about the mayor intervening in the vast majority of cases that are processed by the London boroughs, but about the mayor having the power to intervene as a statutory consultee in only 150 to 200 applications a year. Of course, the mayor will not choose to intervene in many of those cases. We are talking about a limited power, which is focused on the strategic level.

Mr. St. Aubyn: Given that the power is subject to a development order, would it not be unreasonable for a future holder of the hon. Gentleman's post to issue an order that greatly expanded the number of cases that might be considered by the mayor?

Mr. Raynsford: No, as I made it clear, in planning matters, circumstances change. In any sensible democratic society, it is appropriate that there should be a mechanism for changes to be reflected through changing secondary legislation. However, Ministers are accountable to the House and, if they propose changes in secondary legislation, they will be subject to votes in the House. That is the right balance.

As I explained in Committee, we see the power of direction very much as long-stop power, which the mayor would neither need nor wish to use in more than a small proportion of the cases in which he or she would be a statutory consultee. We expect that the mayor will want to work collaboratively with the boroughs. He or she may be content to give some comments on an application drawing attention to strategic matters that the borough should ensure are addressed, but would otherwise be happy to leave it to take the final decision. Alternatively, the mayor may wish to take the opportunity to express support for a proposal, particularly if it furthers or assists the mayor's plans as set out in the special development strategy, or the transport or development strategies.

The argument that our plans will cause undue delay in the processing of applications is also incorrect. We will ensure that the procedures are quick and efficient.

The mayor will be consulted at an early stage, along with other consultees, shortly after the planning application is first submitted. Unless the mayor signals that he or she does not wish to see the application again, the mayor will have a further 14 days within which to issue a direction once the borough has resolved to grant or refuse permission, but before it issues its decision notice. It is an extremely short period of time, but that is necessary to avoid unreasonable delay. However, it gives the mayor the crucial power to exercise a strategic influence.

That is the correct balance if we are—

Mr. Brooke: The Minister said a moment ago that the mayor might use his powers to encourage a particular application. I thought that we had discussed that issue in Committee, when the Government took a contrary view to the one that he just expressed. Where is the legislative cover for what he just said?

Mr. Raynsford: I did not say that the mayor could intervene to require an authority to agree an application. I said that the mayor might wish to encourage an authority to take such a decision. It would be for the authority to decide. The mayor's power of direction is simply a power to require the authority not to grant permission in individual cases. The mayor has wider powers in relation to economic development and transportation and it is precisely in that context that the mayor may well feel that a particular development meets strategic purposes, is desirable and should be encouraged. It would be perfectly proper for the mayor to express that view, but the mayor would have no formal power to require a local authority to agree a planning application on that basis.

I believe that we have struck the right balance. It enables the mayor to pursue the three purposes that we have already debated—economic development, social advancement and environmental improvement. The planning process will enable the mayor to exercise a positive influence so I hope that the hon. Gentleman will withdraw the amendment. If he does not, I urge the House to reject it.

Mr. Ottaway: The Minister describes amendment No. 135 as a wrecking amendment. The definition of a wrecking amendment is one that would make the system unworkable. To that extent, he is right. I put it to him that, in the view of the professionals that I have consulted, the legislation before the House is unworkable. I advise the Minister to take some professional advice on this matter before the Bill comes back to the House for debates on Lords amendments. There is widespread concern that the situation is not clear at the moment.

As I said in Committee, those in the planning Bar see a lifetime's work emerging out of the Bill. Keen as I am to see the legal profession suitably financed, I do not think that the Bill should be the vehicle for that. We tabled the amendment as a probing amendment to draw to the Government's attention the unease that is felt in planning circles. On that note, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 265

THE MAYOR'S ENVIRONMENTAL REPORT

Mr. Simon Hughes: I beg to move amendment No. 4, in page 141, line 30, leave out 'global warming' and insert 'climate change'.

Mr. Deputy Speaker (Mr. Michael J. Martin): With this, it will be convenient to discuss the following amendments: No. 5, in page 141, line 32, after 'production', insert ', minimisation'.

No. 6, in clause 267, page 143, line 24, after 'the', insert 'minimisation,'.

Mr. Hughes: In Committee, I was given some cause for encouragement when I moved a similar amendment. The first proposal would simply replace in the list of environmental functions the phrase "global warming" with the phrase in the amendment, which is now more generally regarded as scientifically accurate. We moved the amendment not just because we thought that it was better to use the phrase "climate change", but because all the Government documents that we could find used the phrase. The Secretary of State for the Environment, Transport and the Regions used that phrase, and it appeared to be the acceptable phrase generally. I hope that the Government, who were positive towards the proposal in Committee, will be even more positive tonight and tell me that without more ado the amendment can be made.

Amendments Nos. 5 and 6 are similarly small in terms of the space that they take up on the amendment paper, but they relate to the same part of the Bill. Part IX describes the report on the state of the environment to be produced and published by the mayor. The Bill states that it shall contain information about a list of matters. Here is another list. It comes from the Government, but it is a list that they are willing to have, so I shall not cavil at it. The seventh item in the list is that the report shall deal with:

"the production, recycling and disposal of waste."

The other way in which waste is dealt with, which ought to be expressed explicitly rather than implied in the Bill, is to make sure that waste is minimised. We propose to include that. We hope that the Government accept our proposal. One of the big environmental challenges is to produce less waste and reduce what is produced. That is different from production, recycling and disposal.

I hope that these three little amendments will be acceptable to the Government. I have reason to believe that they might be, and, if so, we will rejoice in the prospect that Oppositions, large and not quite so large, can always be useful, even to the Government.

Mr. Randall: I well remember the Minister's words of—almost—acceptance of what I consider to be a sensible change. I also remember an amendment that I tabled at the same time, proposing the addition of biodiversity to the list. I believed, with what I now consider to have been misplaced optimism, that it would be incorporated in the Bill. Unfortunately, as a new and rather naive Member of Parliament, I thought that what the Minister said would actually happen. I will learn my lesson from that, and perhaps the other place will now manage to put in what is missing.

Mr. Raynsford: I appreciate that the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) felt

[Mr. Raynsford]

encouraged in Committee. I hope that I can encourage him even more. The first amendment would replace "global warming" with "climate change", the second would add the word "minimisation" to the list of practices relating to waste on which the mayor must comment in the state of the environment report, and the third would add persons concerned with the minimisation of waste to the list of those whom the mayor may consult when preparing or revising the municipal waste management strategy. When we discussed the amendments in Committee, I acknowledged their purpose and good sense, and undertook to consider them further. I have now had time to give them that consideration, and I am happy to tell the hon. Gentleman that I am prepared to accept all three in their entirety.

The hon. Member for Uxbridge (Mr. Randall) should not despair because it has not been possible for us to incorporate all the amendments at this stage: there is another place in which further amendments may be made. He should not assume that we have overlooked his advocacy of biodiversity. I encourage him to live in hope; I also feel that, in the interests of minimisation of waste, we should bring the debate to an early conclusion.

Mr. Hughes: The Minister has accepted the amendments, and we are very grateful for that. To say that he accepts them "in their entirety" is probably overstating the case, given that they consist of two words, one word and one word respectively; but for that little acceptance we are grateful. The hon. Member for Uxbridge (Mr. Randall) had better go and find a Lord to do his work for him in what the Minister described as the other place. There is always work to be done in the other place.

I must not neglect to pay tribute to my hon. Friend the Member for Carshalton and Wallington (Mr. Brake), who has just gone to catch his train. He prompted me to table the amendments. He is sorry that he cannot be here now, but he wants to share in the glory of the moment. *[Interruption.]* Of course I thank the Minister. I repeat that willingly, even after being prompted by the Minister for Transport in London.

Amendment agreed to.

Amendment made: No. 5, in page 141, line 32, after 'production', insert ', minimisation'.—*[Mr. Simon Hughes.]*

Clause 267

THE MAYOR'S MUNICIPAL WASTE MANAGEMENT STRATEGY

Amendment made: No. 6, in page 143, line 24, after 'the', insert 'minimisation,'.—*[Mr. Simon Hughes.]*

Clause 299

POWER TO AMEND ACTS AND SUBORDINATE LEGISLATION

Mr. Raynsford: I beg to move amendment No. 103, in page 156, line 22, after 'legislation' insert

'(including subordinate legislation made under or by virtue of this Act)'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following: Government amendments Nos. 104 to 107 and 114.

Mr. Raynsford: These are purely technical amendments. Amendments Nos. 103 to 107 would enable an order to be made to amend the provisions of the Bill—for example, to allow the Secretary of State temporarily to assume the powers and duties that, under the Bill, are ultimately to be exercised by the GLA. Amendment No. 114 makes clear the powers in the Bill enabling amendments to enactments to be made by subordinate legislation to be used to amend legislation in relation to part III, relating to local government finance and related similar provisions, and to criminal offences.

Amendment agreed to.

Amendments made: No. 104, in page 156, line 24, leave out subsection (2).

No. 105, in page 156, line 36, leave out

'enactment, any instrument made under any enactment'

and insert

'such enactment, or any instrument made under any such enactment, as is mentioned in subsection (1) above'.

No. 106, in page 156, line 37, at end insert—

'(4) The amendment by this Act of any provision is without prejudice to the exercise in relation to that provision of the powers conferred by this section.'.

No. 107, in page 156, line 37, at end insert—

'(5) For the purposes of this section "the relevant day" means the earliest day on which—

(a) the Authority and the functional bodies are all in being, and

(b) London Regional Transport and the Receiver for the Metropolitan Police District have ceased to exist,

and any reference to an Act passed before that day includes a reference to this Act.'.—*[Mr. Dowd.]*

Clause 300

TRANSFERS OF PROPERTY, RIGHTS, LIABILITIES, STAFF AND PENSION OBLIGATIONS

11.45 pm

Mr. Raynsford: I beg to move amendment No. 108, in page 156, line 38, leave out from beginning to end of line 10 on page 157.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following: Government new clause 23—*The Superannuation Act 1972.*

Government new clause 24—*Transitional and consequential provision.*

Government new clause 25—*Transfers of property, rights or liabilities.*

Government new clause 26—*Transfer schemes.*

Government new clause 27—*Contracts of employment etc.*

Government new clause 28—*Pensions.*

Government new clause 29—*Transfer and pension instruments: common provisions.*

Government new clause 30—*Continuity.*

Government amendments Nos. 109 to 113.

Mr. Raynsford: I turn to slightly more detailed matters. The measures cover a range of issues in part XII, notably in relation to transfers from predecessor bodies, such as the London Research Centre and the Highways

Agency, to successor bodies, such as TfL: Transport for London. Staffing, pensions matters and other transitional and consequential provisions are also covered.

New clause 24 gives Ministers the power to make orders concerning incidental, consequential, transitional or supplementary matters. It is a wide-ranging power, including, for example, the power to require bodies not to exercise powers granted under other legislation, but I make no apology for its scope.

Establishing a major organisation is not a simple task. The transition from predecessor bodies to the new GLA and functional bodies will be complex. As ever, to use a phrase that appeared frequently in the earlier stages of our deliberations, the devil will be in the detail. Hon. Members who have had any experience of the local government finance system will not be surprised when I say that the proper vehicle for the detailed transitional measures is by order, rather than the Bill.

Mr. Simon Hughes: The Minister was right to describe it as an extremely wide new clause. Does it have recent and good precedent? That will not justify it, but at least it will give some consolation that someone else has let such a clause go through in some other legislation.

Mr. Raynsford: As I have already said, it is recognised that, in relation to local government finance, it is better for the detailed provisions to be made by order, rather than the Bill. We are following that particular precedent.

It is the intention to use that power to set out the transitional financial arrangements to apply to the GLA and functional bodies in 2000–2001. Because the GLA will not exist until part way through the year, the Secretary of State will set the GLA's first-year budget and issue its precepts. He will provide that the existing precepting authorities do not issue a precept for that year.

The transitional financial arrangements will enable the Secretary of State temporarily to assume the powers and duties which, under the Bill, are ultimately to be exercised by the GLA, the mayor or the functional bodies. I emphasise that, in doing so, there will be full consultation with such interested parties as the predecessor bodies and the relevant local authority associations.

I turn to new clauses 25 and 26. We intend that more than a dozen predecessor bodies will be transferring some or all of their responsibilities to the GLA and its associated bodies. To accompany that transfer of functions, it will be necessary to transfer a wide range of property, rights and liabilities. Among other things, that will encompass land, contracts with other parties, buildings and staff contracts.

New clauses 25 and 26 set out the process by which the relevant property, rights and liabilities of predecessor bodies can be transferred to successor bodies. Such transfers would be able to be carried out either by order made by a Minister, or by a transfer scheme. Both routes are well precedented for such transfers.

New clause 29 and new schedule 1 provide powers to assist with that transfer process. They are based closely on other recent Acts that have provided for Government reorganisations, although some more specific tailoring has been required to reflect the particular circumstances of the GLA, its associated bodies and relevant predecessor bodies.

New clause 27 makes it clear that the powers to transfer property, rights and liabilities will also cover the transfer of staff from predecessor bodies to the GLA and its associated bodies. As we have already made it clear, when that happens, staff will transfer on their existing terms and conditions and with continuity of employment. As with any employment, terms and conditions cannot be guaranteed for ever, but any changes that the new employer wishes to introduce in the future will have to be negotiated with staff representatives, in line with employment law.

I should now make it clear that establishment of the GLA will not lead to a large increase in the number of public sector employees. Apart from an estimated 250 new employees to serve the mayor and the assembly, the remaining staff within the core GLA will be drawn from the absorbed bodies, such as the London Planning Advisory Committee. For the other new bodies, such as Transport for London, the vast majority of staff will come from existing public sector organisations. In total, approximately 55,000 employees from predecessor bodies are expected to staff the GLA and its associated bodies.

New clause 28 deals with the making of provisions by order in relation to pensions. We expect that the implications for the pension arrangements of the vast majority of groups of staff transferring to the GLA and its associated bodies will be minimal. Our broad policy is that staff transferring to those bodies will retain membership of their existing pension scheme on transfer.

The various groups of staff who will transfer to the GLA and its associated bodies are, between them, currently members of 10 different public sector pension schemes. In some cases—such as the local government pension scheme—a scheme's membership extends well beyond the relevant predecessor bodies; in others, the whole of the scheme's membership will move to the GLA or associated bodies. Given the differing circumstances, we are considering how best to implement our broad policy that staff should retain membership of their current pension schemes on transfer. We are also examining what pension arrangements should be put in place for staff who join the GLA and associated bodies after their establishment—although, clearly, the successor bodies themselves will want, in due course, to consider the most appropriate arrangements for such staff.

New clause 28 provides the broad powers that we believe are likely to be necessary to deliver the approach that I have just outlined, and to ensure that the new bodies are staffed effectively from day one—thus, for example, enabling provision to be made for the establishment or administration of pension schemes, and enabling staff to join or remain within a particular scheme.

More specifically, new clause 23 provides for schedule 1 of the Superannuation Act 1972 to be amended, to add the Greater London Authority, Transport for London, the London development agency, the Metropolitan police authority and the London Transport Users Committee to the list of bodies whose staff are entitled to be members of the principal civil service pension scheme. Consequently, staff transferring to those bodies who are currently members of Principal Civil Service Pension Scheme will be able to retain their membership on transfer.

Naturally, pensions arrangements will be of great interest to staff who are moving to the GLA and associated bodies. As new schedule 1, paragraph 4(3)(c) makes it clear, in making provision in relation to pensions, we shall first consult the trustees, managers or administrators of relevant pension schemes.

[Mr. Raynsford]

New clause 30 will provide the necessary continuity between predecessor bodies and successor bodies. Therefore, for example, it would permit anything in the process of being dealt with by a predecessor body at the point of transfer of its functions—such as legal proceedings—to be continued by the relevant successor body after its establishment, thereby allowing a smooth transfer of functions.

Amendments Nos. 108 and 109 to 113 are consequential amendments.

Amendments Nos. 108 and 109 will have the effect of deleting clause 300—which previously made broad reference to transfer matters, and which, as I have just spelt out, we propose should be replaced by the more detailed provisions in new clauses 23 to 29.

Amendments Nos. 110 to 113 are consequential on that, and would add any statutory instruments made under new clauses 24, 25, 28 and 29 to the list of those which would be subject to rules for laying statutory instruments provided in clause 301.

I hope that all the amendments in this group will be agreed by the House.

Mr. Simon Hughes: In passing this group of amendments, we shall be adding eight more new clauses, one more new schedule, and 11 more pages to a Bill that is the largest Bill—it is already 306 clauses and 26 schedules long—in living memory.

I have one question. Will the orders that can be made under the wide-ranging new clause 24 always come before the House for debate? What sort of orders will they be? What will the procedure be and what power will the House have to deal with the supplementary legislation that will follow?

Mr. Raynsford: I assure the hon. Gentleman that the normal procedures for the scrutiny of statutory instruments will apply. I shall write to him about the detailed provisions of new clause 24 after I have had a chance to study them further. As I am sure he recognises, this is a large and complex range of amendments and new clauses, which we have moved to ensure that the appropriate transitional provisions are fully in place. The Bill is long and has been much amended. The ratio of amendments moved by Opposition parties to those moved by the Government works out at approximately 9:1.

Mr. Hughes: And what is the ratio of those that have been accepted by the Government?

Mr. Raynsford: It has certainly improved considerably to the advantage of the Opposition after the three that I accepted earlier this evening.

Mr. Brooke: I have a quick question for the Minister. He said that the devil was in the detail. Have the eight new clauses and the new schedule exorcised the devil? They represent a considerable addition to the Bill, regardless of who takes the credit or discredit for them. Does he imagine that they will be porous and will require further amendment in another place, or does he think that the job has been done?

Mr. Raynsford: The right hon. Gentleman makes a fair point. He will recognise that in this long Bill—it was 270 clauses before Committee, it now stands at 306 and, as the hon. Member for Southwark, North and Bermondsey has pointed out, it will become even bigger as a result of what we have agreed this evening—it was inevitable that some areas would be less fully covered initially. We discussed that in Committee in relation to the section on culture. I said that we would bring forward further amendments on transitional provisions because the issues were not fully covered initially.

The right hon. Gentleman has long experience in government and I know that he will recognise the practical issues involved in getting such complex legislation presented in time to go through all its parliamentary stages. Some amendments are inevitable. We are making the changes in a proper spirit of openness. I hope that he recognises that the Government are trying to do the best that they can. I cannot give a guarantee that no more amendments will be needed, but I believe that the measures that we are presenting to the House provide the necessary cover to deal with the transitional requirements, so there should be no need for further substantial amendments in the other place on these issues.

Amendment agreed to.

New Clause 23

THE SUPERANNUATION ACT 1972

'.—(1) Employment with—

(a) the Authority,

(b) Transport for London,

(c) the London Development Agency,

(d) the Metropolitan Police Authority, or

(e) the London Transport Users' Committee,

shall be included among the kinds of employment to which a scheme under section 1 of the Superannuation Act 1972 can apply.

(2) Accordingly, in Schedule 1 to that Act (in which those kinds of employment are listed) the following entries shall be inserted in the list of "Other bodies" at the appropriate places—

"The Greater London Authority."

"The London Development Agency."

"The London Transport Users' Committee."

"The Metropolitan Police Authority."

"Transport for London."

(3) Each of the bodies specified in subsection (1) above shall pay to the Minister for the Civil Service at such times as he may direct, such sums as he may determine in respect of the increase attributable to this section (so far as referable to that body) in the sums payable under the Superannuation Act 1972 out of money provided by Parliament.

(4) Where an employee of any of the bodies specified in subsection (1) above—

(a) is, by reference to that employment, a participant in a scheme under section 1 of the Superannuation Act 1972, and

(b) is also a member of that body,

the Minister for the Civil Service may determine that his service as such a member shall be treated for the purpose of the scheme as service as an employee of that body.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 24

TRANSITIONAL AND CONSEQUENTIAL PROVISION

'.—(1) A Minister of the Crown may by order make such incidental, consequential, transitional or supplementary provision as appears to him to be necessary or expedient—

(a) for the general purposes, or any particular purposes, of this Act;

(b) in consequence of, or otherwise in connection with, any provision made by or under this Act;

(c) for giving full effect to this Act; or

(d) in consequence of such of the provisions of any other Act passed—

(i) before the relevant day, within the meaning of section 299 above, or

(ii) in the Session in which that day falls,

as apply to any area, or any body or person, affected by this Act.

(2) The provision that may be made by an order under this section includes provision—

(a) for requiring or enabling any body or person by whom any powers will, on a date specified by or under this Act, become exercisable by virtue of any provision made by or under this Act to take before that date any steps which are necessary or expedient as a preliminary to the exercise of those powers;

(b) for the making, before any date specified by or under this Act, of arrangements for securing the satisfactory operation on or after that date of any provision made by or under this Act and for defraying the cost of any such arrangements;

(c) for authorising or requiring the exercise by or in relation to any body or person before a date specified by or under this Act, and whether with or without modifications, of any functions under or by virtue of this Act which will become exercisable on or after that date by or in relation to other bodies or persons, and for defraying any costs incurred in connection with any such exercise;

(d) for requiring any body or person by whom any powers are exercisable before a date specified by or under this Act to refrain from exercising those powers on or after that date or to refrain from exercising them as respects a period beginning on or after that date.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 25

TRANSFERS OF PROPERTY, RIGHTS OR LIABILITIES

'.—(1) A Minister of the Crown may by order make provision for or in connection with the transfer to any body or person falling within subsection (2) below of such property, rights or liabilities of a body or person falling within subsection (3) below as he may consider appropriate.

(2) The bodies and persons falling within this subsection are—

(a) the Authority;

(b) any functional body;

(c) any subsidiary of Transport for London;

(d) any local authority or the Corporation of London;

(e) any police authority established under section 3 of the Police Act 1996;

(f) the London Transport Users' Committee;

(g) any body or person, or the holder of any office, established by or under this Act and not falling within the preceding paragraphs of this subsection.

(3) The bodies and persons falling within this subsection are—

(a) any Minister of the Crown or government department;

(b) any London borough council or the Corporation of London;

(c) London Regional Transport or any subsidiary of London Regional Transport;

(d) the Receiver for the Metropolitan Police District;

(e) the Commissioner of Police of the Metropolis;

(f) the Development Commission;

(g) the Urban Regeneration Agency;

(h) any body or person, or the holder of any office, for whose abolition or dissolution provision is made by or under this Act and which does not fall within the preceding paragraphs of this subsection.

(4) The power conferred by subsection (1) above is exercisable—

(a) for the general purposes, or any particular purposes, of this Act;

(b) in consequence of, or otherwise in connection with, any provision made by or under this Act;

(c) for giving full effect to this Act; or

(d) in consequence of such of the provisions of any other Act passed—

(i) before the relevant day, within the meaning of section 299 above, or

(ii) in the Session in which that day falls,

as apply to any area, or any body or person, affected by this Act.

(5) The power conferred by subsection (1) above is also exercisable in relation to a transfer of property, rights or liabilities to the London Development Agency for any purpose for which such a transfer may be made by a scheme under the Regional Development Agencies Act 1998.

(6) An order under subsection (1) above may make provision for or in connection with the creation of rights or liabilities.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 26

TRANSFER SCHEMES

'.—(1) A Minister of the Crown may make schemes for the transfer from the Crown to one or more bodies or persons falling within subsection (2) of section *(Transfers of property, rights or liabilities)* above of such property, rights or liabilities as he may consider appropriate.

(2) A Minister of the Crown may by directions require a body or person falling within subsection (3) of section *(Transfers of property, rights or liabilities)* above to make one or more schemes for the transfer to a body or person falling within subsection (2) of that section of such property, rights or liabilities as he may consider appropriate.

(3) The powers conferred by subsection (1) or (2) above are exercisable—

(a) for the general purposes, or any particular purposes, of this Act;

(b) in consequence of, or otherwise in connection with, any provision made by or under this Act;

(c) for giving full effect to this Act; or

(d) in consequence of such of the provisions of any other Act passed—

(i) before the relevant day, within the meaning of section 299 above, or

(ii) in the Session in which that day falls,

as apply to any area, or any body or person, affected by this Act.

(4) The powers conferred by subsection (1) or (2) above are also exercisable in relation to a transfer of property, rights or liabilities to the London Development Agency for any purpose for which such a transfer may be made by a scheme under the Regional Development Agencies Act 1998.

(5) A scheme under subsection (1) or (2) above may make any provision that may be made by order under subsection (1) of section *(Pensions)* below.

(6) Accordingly, the bodies or persons in relation to which provision may be made by virtue of subsection (5) above are not restricted to those falling within subsection (2) or (3) of section *(Transfers of property, rights or liabilities)* above.

(7) Schedule *(Transfer schemes)* to this Act (which makes provision in relation to schemes under this section) shall have effect.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 27

CONTRACTS OF EMPLOYMENT ETC

'.—(1) The provision that may be made by transfer instrument includes provision for or in connection with the transfer of—

(a) rights and liabilities under contracts of employment; or

(b) members of police forces and other persons in relation to whom paragraph (a) above does not apply.

(2) Subsections (3) to (5) below apply where any rights or liabilities under a contract of employment are transferred by virtue of this Act.

(3) Anything done by or in relation to the transferor in respect of the employee before the day on which the transfer takes effect shall be treated on and after that day as done by or in relation to the transferee.

(4) For the purposes of Part XI of the Employment Rights Act 1996 (redundancy payments etc) the employee shall not be regarded as having been dismissed by virtue of the transfer.

(5) For the purposes of that Act, the employee's period of employment with the transferor shall count as a period of employment with the transferee, and the change of employment shall not break the continuity of the period of employment.

(6) In the application of this section to a person employed in the civil service of the State—

(a) any reference to employment includes a reference to employment in that service;

(b) any reference to a contract of employment includes a reference to the terms of that employment; and

(c) any reference to dismissal includes a reference to the termination of that employment.

(7) Where a transfer instrument makes provision for or in connection with a transfer falling within subsection (1)(b) above, the provision that may be made includes provision for or in connection with applying subsections (3) to (6) above (with or without modifications) in relation to or otherwise in connection with the transfer.

(8) In this section "transfer instrument" means—

(a) an order under section *(Transfers of property, rights or liabilities)* above; or

(b) a scheme under section *(Transfer schemes)* above.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 28

PENSIONS

'.—(1) A Minister of the Crown may by order make provision with respect to the provision of pensions for or in respect of employees, or persons who have been employees, of, or of subsidiaries of,—

(a) any of the bodies or persons falling within subsection (2) of section *(Transfers of property, rights or liabilities)* above;

(b) any of the bodies or persons falling within subsection (3) of that section; or

(c) any body or person whose undertaking, or part of whose undertaking, has been transferred by or under any enactment to a body or person falling within paragraph (b) above.

(2) The provision that may be made by virtue of subsection (1) above includes provision for or in connection with—

(a) the establishment of pension schemes or pension funds;

(b) the administration or management of pension schemes or pension funds;

(c) enabling persons to participate, or continue to participate, in any pension scheme and requiring their employers to make contributions under that scheme;

(d) the rates, or the variation of the rates, of contributions to be made under any pension scheme, whether by employees or employers;

(e) the re-arrangement, amalgamation, simplification or assimilation of pension schemes.

(3) An order under subsection (1) above may make provision for or in connection with—

(a) establishing a body to administer or assist in administering a pension scheme;

(b) enabling all or any of the participants in a pension scheme to become instead participants in another pension scheme;

(c) empowering the persons responsible for administering a pension scheme to carry out arrangements for the participation in the scheme of a person who has been an employee of, or of a subsidiary of, a body or person falling within paragraph (b) or (c) of subsection (1) above;

(d) the manner in which questions arising under the order are to be determined.

(4) An order under subsection (1) above may make provision for or in connection with cases where a person who, having pension rights to which such an order relates, becomes—

(a) a member of a body or person falling within subsection (2) of section *(Transfers of property, rights or liabilities)* above, or

(b) a director of a subsidiary of such a body or person.

(5) The provision that may be made by virtue of subsection (4) above includes, in particular, provision for or in connection with—

(a) treating a person's service as such a member or director as service in the employment of, or of a subsidiary of, such a body or person; or

(b) treating two or more periods of service as continuous.

(6) In this section—

"pension" means a pension of any kind payable to or in respect of a person and includes—

(a) a lump sum, allowance or gratuity so payable; and

(b) a return of contributions, with or without interest or other addition;

"pension rights" includes—

(a) all forms of right to or eligibility for the present or future payment of a pension to or in respect of a person; and

(b) a right of allocation in respect of the present or future payment of a pension.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 29

TRANSFER AND PENSION INSTRUMENTS: COMMON PROVISIONS

'.—(1) The property, rights and liabilities which may be transferred by a transfer or pension instrument include property, rights and liabilities that would not otherwise be capable of being transferred or assigned.

(2) No right of reverter, right of pre–emption, right of forfeiture, right of re–entry, right to compensation, option or similar right affecting any land or other property shall operate or become exercisable as a result of any transfer of land or other property by virtue of a transfer or pension instrument (whether or not any consent required to the transfer has been obtained).

(3) Any such right or option shall accordingly have effect in the case of any such transfer as if—

(a) the transferee in relation to that transfer were the same person in law as the transferor; and

(b) no transfer of the land or other property had taken place.

(4) Subsection (3) above is without prejudice to section *(Continuity: repealed or revoked functions of LRT)* above, section *(Continuity)* below or any other provision made by or under this Act which makes transitional provision in relation to a transfer.

(5) Subsections (2) to (4) above shall have effect in relation to—

(a) the grant or creation of an estate or interest in, or right over, any land or other property, or

(b) the doing of any other thing in relation to land or other property.

as it has effect in relation to a transfer of land or other property.

(6) No right to terminate or vary a contract, and no other rights under a contract, shall operate or become exercisable by reason of any transfer of shares by virtue of a transfer or pension instrument.

(7) A transfer or pension instrument may define the property, rights and liabilities to be transferred by it—

(a) by specifying or describing them;

(b) by referring to all (or all but so much as may be excepted) of the property, rights and liabilities comprised in a specified part of the undertaking of the transferor; or

(c) partly in the one way and partly in the other.

(8) A transfer or pension instrument may make provision for the apportionment or division of any property, rights or liabilities.

(9) Where a transfer or pension instrument makes provision for the apportionment or division between two or more persons of any rights or liabilities under a contract, the contract shall have effect, as from the coming into force of the provision, as if it constituted two or more separate contracts separately enforceable by and against each of those persons respectively as respects the part of the rights or liabilities which falls to him as a result of the apportionment or division.

(10) The provision that may be made by a transfer or pension instrument includes provision for—

(a) any transfer of land or other property by virtue of the instrument,

(b) the grant or creation of any estate or interest in, or right over, any land or other property by virtue of the instrument, or

(c) the doing of any other thing in relation to land or other property by virtue of the instrument,

to be on such terms, including financial terms, as the body or person making the instrument thinks fit.

(11) A transfer or pension instrument, other than an order under section *(Pensions)* above, may provide—

(a) that disputes as to the effect of the instrument between the transferor and any transferee are to be referred to such arbitration as may be specified in or determined under the instrument;

(b) that determinations on such arbitrations and certificates given jointly by the transferor and any transferee as to the effect of the instrument as between them are to be conclusive for all purposes.

(12) A Minister of the Crown may by order confer on any body or person to whom property, rights or liabilities are transferred by a transfer or pension instrument any statutory functions which were previously exercisable in relation to that property or, as the case may be, those rights or liabilities—

(a) by a body or person falling within subsection (3) of section *(Transfers of property, rights or liabilities)* above; or

(b) in the case of a transfer under or by virtue of section *(Pensions)* below, the transferor under the instrument.

(13) If at any time after a transfer or pension instrument has come into force a Minister of the Crown considers it appropriate to do so, having consulted any body which, or person who, may be affected, he may by order provide that the instrument shall for all purposes be deemed to have come into force with such modifications as may be specified in the order.

(14) An order under sub–paragraph (13) above may make such provision as could have been made by the instrument.

(15) It shall be the duty of each of the bodies and persons falling within subsection (3) of section *(Transfers of property, rights or liabilities)* above to provide any Minister of the Crown with such information or assistance as he may reasonably require for the purposes of, or in connection with, the exercise of any powers exercisable by him in relation to transfer or pension instruments.

(16) In this section "transfer or pension instrument" means—

(a) an order under section *(Transfers of property, rights or liabilities)* or *(Pensions)* above; or

(b) a scheme under section *(Transfer schemes)* above.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 30

CONTINUITY

'.—(1) None of the following, that is to say—

(a) the abolition or dissolution by or under this Act of any body or office,

(b) the transfer, repeal or revocation by or under this Act of any functions, or

(c) the transfer by or under this Act of any property, rights or liabilities,

shall affect the validity of anything done before the abolition, dissolution, transfer, repeal or revocation takes effect.

(2) Subsections (3) to (5) below apply where any functions, property, rights or liabilities are transferred by or under this Act from a body or person ("the transferor") to another body or person ("the transferee").

(3) There may be continued by or in relation to the transferee anything (including legal proceedings) which—

(a) relates to any of the functions, property, rights or liabilities transferred, and

(b) is in the process of being done by or in relation to the transferor immediately before the transfer takes effect.

(4) Anything which—

(a) was done by the transferor for the purposes of or otherwise in connection with any of the functions, property, rights or liabilities transferred, and

(b) is in effect immediately before the transfer takes effect,

shall have effect as if done by the transferee.

(5) The transferee shall be substituted for the transferor in any instruments, contracts or legal proceedings which—

(a) relate to any of the functions, property, rights or liabilities transferred, and

(b) are made or commenced before the transfer takes effect.

(6) Any reference in this section to anything done by or in relation to the transferor includes a reference to anything which by virtue of any enactment is treated as having been done by or in relation to the transferor.

(7) Any question under this section as to—

(a) whether any particular functions, property, rights or liabilities are transferred by or under this Act, or

(b) the body to which, or person to whom, any particular functions, property, rights or liabilities are so transferred,

may be determined by a direction given by the Secretary of State.

(8) Subsections (1) to (7) above are without prejudice to any provision made by or under this Act in relation to any particular functions.

(9) Nothing in this section shall be construed—

(a) as continuing in force any contract of employment; or

(b) as transferring any rights or liabilities relating to pensions.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 36

ACCOMMODATION FOR AUTHORITY AND FUNCTIONAL BODIES

'.—(1) The Secretary of State shall be under a duty to provide accommodation for—

(a) the Authority, and

(b) each of the functional bodies,

during the period of five years beginning with the day on which this Act is passed.

(2) If the Secretary of State is satisfied that appropriate accommodation is available or has been provided for a body falling within paragraph (a) or (b) of subsection (1) above, he may by order make provision substituting for the period for the time being specified in that subsection as it has effect in relation to that body such shorter period as he may determine.

(3) Where the Secretary of State—

(a) has made an order under subsection (2) above in the case of any body, but

(b) subsequently considers that it is necessary, expedient or desirable to extend the period for the time being specified in subsection (1) above as it has effect in relation to that body,

he may by order make provision substituting for that period (whether or not it has expired) such longer period as he may determine, ending not later than the period of five years beginning with the day on which this Act is passed.

(4) The Secretary of State need not provide accommodation for a body under subsection (1) above during any period as respects which that body has notified him that it does not require him to provide accommodation for it.

(5) The provision of accommodation under subsection (1) above shall be on such financial and other terms as the Secretary of State may determine.'.—*[Mr. Raynsford.]*

Brought up, and read the First time.

Mr. Raynsford: I beg to move, That the clause be read a Second time.

The new clause requires the Secretary of State to provide accommodation for the Greater London Authority and the functional bodies in the first instance. That is to ensure a smooth and orderly transition to the new arrangements. Our objective is to ensure that when the new authority and functional bodies come into existence, they are not distracted from their main purpose by the need to find accommodation. Where staff who are being absorbed into the new authority and functional bodies are already in appropriate accommodation, we expect that they will remain where they are, but new staff and absorbed staff who cannot remain in their current accommodation will need to be provided for. The amendment will ensure that the Secretary of State makes the necessary preparations.

Mr. Ottaway: What is the position regarding the interim accommodation for the new authority?

Mr. Raynsford: I hope to be able to make an announcement on the interim accommodation in the very near future. We have been working hard to find—

It being Twelve midnight, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [30 April].*

Question agreed to.

Clause read a Second time.

MR DEPUTY SPEAKER *then put the remaining Questions required to be put at that hour.*

Clause added to the Bill.

New Schedule

TRANSFER SCHEMES

Interpretation

1. In this Schedule—

"Crown scheme" means a scheme under subsection (1) of section *(Transfer schemes)* of this Act;

"ordinary scheme" means a scheme under subsection (2) of section *(Transfer schemes)* of this Act;

"predecessor bodies" means the bodies or persons falling within subsection (3) of section *(Transfers of property, rights or liabilities)* above;

"successor bodies" means the bodies or persons falling within subsection (2) of section *(Transfers of property, rights or liabilities)* above;

"transfer scheme" means a Crown scheme or an ordinary scheme.

Effect of transfer scheme

2. A transfer scheme shall by virtue of this paragraph take effect in accordance with the provisions of the scheme on such day or days as may be appointed by the scheme.

Other provision that may be contained in a Crown scheme

3.—(1) A Crown scheme may also contain provision—

(a) for the creation, in relation to property which the scheme transfers, of an interest in or right over the property in favour of the transferor;

(b) for the creation of any rights or liabilities as between two or more of the successor bodies, or as between one or more of them and the Crown;

(c) for any rights or liabilities specified or described in the scheme to be, or to be to any extent, enforceable by or against two or more of the successor bodies, or by or against one or more of them and the Crown;

(d) for imposing on any two or more of the successor bodies, or on one or more of them and the Crown, an obligation to enter into written agreements with, or execute other instruments in favour of, each other.

(2) A Crown scheme may also contain provision—

(a) for the creation in favour of any of the successor bodies of an interest in or right over property retained by the Crown;

(b) for the creation in favour of any of the successor bodies of an interest in or right over property which the scheme transfers to another of those bodies.

Making and approval of ordinary scheme

4.—(1) Where any of the predecessor bodies is required to make an ordinary scheme, it shall submit the scheme to the relevant Minister for his approval before such date as he may direct.

(2) Where a scheme is submitted under sub–paragraph (1) above, the relevant Minister may approve the scheme either with or without modification.

(3) Before giving his approval under sub–paragraph (2) above, the relevant Minister must consult—

(a) the transferor;

(b) such of the successor bodies as have been established and are affected by the scheme; and

(c) if the scheme makes provision by virtue of subsection (5) of section *(Transfer schemes)* of this Act, the trustees or managers, or the administrators, of any existing pension scheme in relation to which provision is made.

(4) A scheme required to be submitted under sub–paragraph (1) above shall not take effect unless approved under sub–paragraph (2) above.

(5) In this paragraph "the relevant Minister", in relation to an ordinary scheme, means the Minister of the Crown who gave the direction under section *(Transfer schemes)*(2) of this Act to make the scheme.

Power of Minister to make ordinary scheme

5.—(1) A Minister of the Crown who has given a direction under subsection (2) of section *(Transfer schemes)* of this Act may, after consultation with the transferor and such of the successor bodies as are affected, make an ordinary scheme himself if—

(a) he decides not to approve (with or without modifications) a scheme submitted to him pursuant to the direction before the date specified for the purpose under paragraph 4(1) above, or

(b) no ordinary scheme is submitted to him pursuant to the direction for approval before that date.

(2) Nothing in sub–paragraph (1) above shall prevent a Minister of the Crown from approving a scheme submitted to him after the date specified in relation to it under paragraph 4(1) above.

(3) A scheme made by a Minister of the Crown under sub–paragraph (1) above shall be treated for all purposes as having been made by the transferor and approved by the Minister.

Other provision that may be contained in an ordinary scheme

6. An ordinary scheme may also contain provision—

(a) for the creation, in relation to property which the scheme transfers, of an interest in or right over the property in favour of the transferor;

(b) for the creation in favour of any of the successor bodies of—

(i) an interest in or right over property retained by the transferor; or

(ii) an interest in or right over property which the scheme transfers to another of those bodies;

(c) for the creation of any rights or liabilities as between two or more of the successor bodies or as between one or more of those bodies and the transferor;

(d) for any rights or liabilities specified or described in the scheme to be, or to be to any extent, enforceable by or against two or more of the successor bodies, or by or against one or more of those bodies and the transferor;

(e) for imposing on any two or more of the successor bodies, or on one or more of those bodies and the transferor, an obligation to enter into written agreements with, or execute other instruments in favour of, each other.

Power to make consequential, transitional etc provision

7. A transfer scheme may contain incidental, consequential, supplemental or transitional provision and savings.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

Bill, as amended, to be further considered tomorrow.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

CIVIL AVIATION

That the draft Aeroplane Noise Regulations 1999, which were laid before this House on 14th April, be approved.—*[Jane Kennedy.]*

Question agreed to.

REFERENDUMS BILL [*MONEY*]

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a),

That, for the purposes of any Act resulting from the Referendums Bill, it is expedient to authorise the payment out of money provided by Parliament of any sums so payable under the Act.—*[Jane Kennedy.]*

Question agreed to.

PETITION

Hosiery and Knitwear Industry

12.2 am

Mr. David Tredinnick (Bosworth): The petition was the idea of hosiery and knitwear workers in my constituency at Tonelli, Lee Ann, Turner and Jarvis, Davenports and other factories. It contains over 350 signatures, collected over a few days, including those of Elizabeth Richardson, Jacqueline Spencer, Mrs. Seaman, Mary Sherwin, Carole Claridge and Cathy Woodcock. It came about because of the widespread belief that the Labour Government are doing nothing to help the hosiery and knitwear industry and because people are fed up with the bankruptcies and lay-offs in the industry.

The petition reads:

The petition of residents of Hinckley and Bosworth declares that the hosiery and knitwear industry is facing serious problems as a result of overseas competition and other matters.

The petitioners therefore request that the House of Commons urge the Secretary of State for Trade and Industry to support the hosiery and knitwear industry at this difficult time in much the same way that they are prepared to offer support for the motor industry.

And the petitioners remain etc.

To lie upon the Table.

A5 (Dunstable)

Motion made, and Question proposed, That this House do now adjourn.—*[Jane Kennedy.]*

12.3 am

Sir David Madel (South-West Bedfordshire): I welcome the opportunity to have a short debate on the proposal by the Highways Agency to establish a permanent bus lane on the A5 in Dunstable. I am sorry that the debate has been a long time in coming, and I am grateful that the Under-Secretary the hon. Member for Hampstead and Highgate (Ms Jackson) is here to reply.

The proposal by the Highways Agency is imminent. Later this month, it wishes to go ahead and make the bus lane permanent; 7 am to 7 pm every day of the week. I want the agency to think again on the timing of the proposal and on the practical details, should it come into permanent effect. I hope that I can persuade the Government to agree.

I am glad that the Under-Secretary is here to reply, because I wish to refer to her constituency in support of my arguments. My argument in that area is relevant to the current position in Dunstable.

The permanent bus lane proposals cannot be divorced from the traffic problems in Dunstable, particularly the heavy lorries that use the A5 through the town. They will go on doing so as long as we do not have a bypass. The latest position on the bypass is relevant to the proposal to establish a permanent bus lane, and has been summed up in a letter to me from Gwyn Drake.

Mr. Drake is divisional director, networking customer services, at the Highways Agency. His letter of 14 April, concerning the possibility of Dunstable getting an eastern bypass, says:

"Included amongst these studies will be one of the M1 corridor from London to the South Midlands. The A5 Dunstable Eastern Bypass will be considered as part of this study by the Regional Planning Conferences before a decision is made on whether that scheme, or indeed any, will proceed."

The Government have earned not a cheer but a huge sigh of relief in Dunstable, because there was a possibility that the A5 eastern bypass would be dropped from the roads programme, as some other bypasses have been. However, I do not regard Mr. Drake's letter as very optimistic. Frankly, we in Dunstable do not need any more studies, conferences, inquiries, exhibitions or any of the other things that happen when a bypass is being considered. We have had more of those than the Minister and I have had hot dinners. We should now take the necessary and lawful measures to construct the bypass and not take refuge in endless inquiries, proposals, counter-proposals, exhibitions and pre-bypass conferences. We have had those in rich abundance and we now want to move ahead.

I accept that the bypass will not come overnight. In the absence of a bypass, I have some counter-proposals for the Government and the Highways Agency on the agency's plan for a bus lane on the A5 in Dunstable, operating from 7 am to 7 pm every day. My first counter-proposal is that it should not operate on a Sunday. The pattern of life is entirely different, and there is absolutely no need to operate it then, not least because children do not go to school on Sunday, so the school bus argument does not apply. The same argument applies to Saturday.

My counter-proposal on Mondays to Fridays is that, if we have to have the bus lane, it should operate from 7 am to 10 am and from 4 pm to 7 pm, in what is called the rush hour, although there is no rush hour in Dunstable, because rather than a rush of traffic we have constant congestion.

I said that I would mention the Minister's constituency. This morning, I drove down Finchley road, which I am pretty sure runs right through her constituency, towards Swiss Cottage. The bus lane there operates from 7 am to 10 am. The difference between that road and the A5 in Dunstable is that, in addition to the bus lane, it has two lanes for cars and lorries; no such luck in Dunstable, where we have only the one. If 7 am to 10 am is good enough for Finchley road, it is certainly good enough for Dunstable.

As I drove into London this morning, I noticed that Wellington road, which runs from Lord's cricket ground to Swiss Cottage and may be on the edge of the Minister's constituency, has a bus lane operating from 4 pm to 7 pm, which is exactly what I want for Dunstable. What is good enough for Wellington road in London should be good enough for the A5 in Dunstable. I think that that is a perfectly sensible counter-proposal.

My next counter-proposal is that when there is a crash on the M1—and, alas, they happen—an electronic sign near the bus lane should be made to read, "Crash on M1, bus lane suspended". In other words, the bus lane could be used because of conditions on the M1.

I do not normally disagree with Bedfordshire police—in fact, I am a strong supporter of theirs—but I do not agree with their approach to this problem. Once there is a crash on the M1, Dunstable becomes very clogged up. The police say that they do not divert traffic into Dunstable, but that is not the point because the traffic goes there anyway. After a smash on the M1 in the Luton area, or between Luton and Toddington, or between Luton and junction 9—the A5 turn-off—lorry and car drivers who have their radios tuned to a frequency with traffic reports, which will mention the heavy congestion on the M1 caused by the smash, will turn off in the Milton Keynes area. They will drive down the Milton Keynes bypass, which is a nice dual carriageway, and through Great Brickhills—another nice dual carriageway bypass—to the A5 in Bedfordshire and through Dunstable.

My constituents cannot understand why, if there is a crash on the M1, we should have extra congestion in Dunstable simply because the Highways Agency wants the bus lane to operate regardless of the conditions on the M1. That is a serious, practical point and it strikes a chord with my constituents and those who travel through Dunstable if the M1 is at a complete standstill.

If we are to have the bus lane, we do not need to waste money on painting it. My constituents are law abiding and they can read. The Highways Agency should keep costs down. A white line and a sign saying "bus lane" are all that is needed. We do not need money spent on painting the bus lane red or green. My constituents would not understand that, in view of the police and revenue support grant settlements we have had. If there is money around to be spent on paint, the priority in Bedfordshire is to paint the schools, not the bus lane.

I have taken a close interest in the bypasses that have gone ahead, especially the Newbury bypass, with the long battle to get it through. It opened in November and I have

consulted people in Newbury. Once it opened, they say that there was a noticeable reduction in heavy goods vehicles throughout the day, especially at peak times, and—along with pedestrianisation of the town centre, which followed soon after the bypass opened—the town is now more attractive for shoppers and commercial organisations. That is exactly what would happen in Dunstable if we could get our bypass. The heavy lorries would leave and we could get on with pedestrianisation measures and with the bus lanes. The Highways Agency is putting the cart before the horse by introducing the bus lane before we have the bypass.

If the Highways Agency and the Government insist on going ahead with the bus lane without the bypass, the least I hope that they will do is to agree to my counter-proposals. They have the support of my constituents, they are practical—I have thought them out carefully—and they are for the benefit of the town and my constituents. If they were adopted, the Highways Agency would do itself a world of good in public esteem in my constituency. I hope that the Minister will agree.

12.15 am

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Ms Glenda Jackson): I congratulate the hon. Member for Bedfordshire, South-West (Sir David Madel) on securing this debate. As he has been at pains to point out, the A5 is a trunk road on the core network, of which the High street in Dunstable forms a part. I am aware of the hon. Gentleman's misgivings about the experimental bus lane.

The Government want to make buses a real and attractive alternative to cars, especially in busy town centres such as Dunstable where there are congested roads such as the A5. Our intention to do this was set out in last summer's White Paper entitled "A New Deal for Transport", and the detail was provided in the daughter document published in March, "From Workhorse to Thoroughbred—A Better Role for Bus Travel". With the national picture showing that a quarter of all car journeys are now of less than two miles, it is surely sensible to examine and, I hope, change our travel habits.

The Highways Agency, responding to the challenge of making best use of our trunk roads, has discussed the management of traffic on the A5 in Dunstable with the local authorities, the bus companies and the police. It has recognised that bus priority in Dunstable High street would be a positive benefit.

The idea is not new. It was first suggested in 1994 by the South Bedfordshire district council as a means of encouraging the use of public transport. This was subsequently carried forward in the booklet entitled "The Future of Our Town Centre—A Draft Strategy for Dunstable" as promoted and published by the Dunstable town centre management committee. In December 1996, a seminar attended by local authorities, industry and road user groups concluded that there was a need for a southbound bus lane to improve the reliability of bus services through the town centre. This was regarded as a precursor to any town centre improvements and as a valuable means of encouraging the shift away from the car to public transport.

The Highways Agency proceeded with caution and decided that the bus lane should be introduced on an experimental basis. Its success would be monitored before the decision was taken to confirm or remove it. The trial southbound bus lane—360 m, or 400 yd, in length—was set up in High street north on 9 March 1998. A monitoring exercise has been under way since that time. That has shown that bus patronage has increased by about 18 per cent., and that bus journey times have reduced by up to four minutes and reliability has improved. The A5 through Dunstable is congested, and queueing has always been a factor, but the monitoring has shown too that journey times for other road users have not been significantly affected, and that safety for cyclists, permitted to use the bus lane, has improved.

The Highways Agency received nine letters objecting to the confirmation of the bus lane, and the hon. Member for South-West Bedfordshire has also raised four issues that are of concern. The main worry cited by the nine objectors was that the bus lane had increased queueing and congestion in the town centre, leading to rat running along adjacent roads. However, the monitoring exercise has shown that the bus lane has not created significant problems for other road users. Surveys have shown that journey times and queues have remained much as before the bus lane was introduced. All the objectors have received individual letters of explanation from the Highways Agency.

The concerns of the hon. Member for South-West Bedfordshire, which he outlined, focus on four aspects of the bus lane—the hours that it operates; the days of the week on which it operates; whether it should be open to other users, such as taxis and motorcycles; and whether it should be suspended, by electronic signing, when an incident occurs on—and so when traffic diverts from—the M1. The hon. Gentleman is also worried about the possible costs of painting the lane.

I know that the hon. Gentleman feels that the bus lane is premature until the future of the A5 Dunstable eastern bypass has been decided. Indeed, he said that the proposal was a case of putting the cart before the horse. The hon. Gentleman discussed these points at a meeting with officers from the Highways Agency, and as a result the agency consulted further with its partners on this initiative—the district, town and county councils, the Arriva bus company and the Bedfordshire police.

The consensus was that the hours of operation were appropriate, and were producing real benefits, but that the facility need not operate on Sundays. Therefore, the Sunday operation would not be confirmed.

It was felt that usage of the bus lane should not be extended to taxis and motorcycles. The use of bus lanes by motorcycles is a complex issue, but here, it was felt that the mixture would not be a happy one. As taxis in Dunstable are not generally of the black cab type, the police felt that there could be enforcement problems.

The police did not want special signing or suspension of the bus lane during an incident on the M1, as this southbound section of the A5 was not on the recognised, signed diversion route. Painting the relevant part of the road would reinforce to road users that they were not allowed in the bus route.

The hon. Gentleman also mentioned bus routes in my constituency on the Finchley road but neglected to point out that the part to which he referred is also a red route. I am not aware that anyone has advocated making the A5 through Dunstable town centre a red route.

[Ms Glenda Jackson]

The A5 Dunstable eastern bypass was part of the trunk road programme reviewed last year. The report "New Deal for Trunk Roads in England" did not include the scheme in the targeted programme of improvements, but listed it as a scheme that will be considered in the London to south midlands multi-modal study, subject to the views of the regional planning conference. The bypass, if eventually built, will not be a reality within the short to medium term.

Although I understand the hon. Gentleman's argument, I cannot agree that the bus lane is putting the cart before the horse. If measures are not taken to deal with congestion now, the situation for all our constituents could become intolerable and have a most deleterious effect on the life of city centres by making it so unpleasant that people did not wish to live, shop or introduce businesses there. I cannot agree with the hon. Gentleman's assessment of which is the cart and which the horse in this debate.

We need to make a difference to people's travel habits now if we are to bring any change for the better to hard-pressed communities such as Dunstable. The Highways Agency is right to set about making better use of trunk roads such as the A5. There is always a duty to ensure that new initiatives are effective and bring real improvements and, on balance, do not make conditions worse for road users. In this case, I am content that the cautious approach and monitoring work that the Highways Agency has carried out has amply demonstrated that the bus lane is a good investment, and fully in accord with Government policy.

Last November, my noble Friend Lord Whitty, the Minister for Roads and Road Safety announced the success of the trial bus lane and his intention to make it permanent. A draft traffic regulation order was published in January to start the process of confirmation. That order attracted the nine objections to which I referred.

The Highways Agency's divisional director has considered in detail all the comments and objections received, and recommended to Lord Whitty that the objections should be overruled. He is minded to accept that recommendation and confirm the order but wishes to consider the issues raised in this debate.

For a modest investment, a process of real change in travel habits to make better use of our trunk roads and support bus services has been started in Dunstable. The quality partnership approach that the Highways Agency has adopted is sound and has enabled it to demonstrate the support for, and benefits of, the project. I believe that the bus lane is effective and I look forward to Lord Whitty confirming that it will be made permanent.

Question put and agreed to.

Adjourned accordingly at twenty-three minutes past Twelve o'clock.

House of Commons

Wednesday 5 May 1999

The House met at half-past Nine o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Tourism

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Betts.]*

9.33 am

Mr. Andrew Lansley (South Cambridgeshire): I am grateful for the opportunity to raise the issue of the British tourism industry. This is not the first time that the industry has been debated in this Parliament, but there has not been a debate on the issue in Government time. It has fallen to the Opposition and to Back Benchers to seek to bring the importance of the industry and its circumstances to the attention of the House.

The debate is timely and necessary, not least because of the publication in February of the Government's document "Tomorrow's Tourism", which sets out the Government's view of the strategy for tourism. Last Tuesday, the Secretary of State for Culture, Media and Sport announced the conversion of the English tourist board into the English Tourism Council, so it is entirely right that we should debate tourism at this time.

We should keep the interests of the tourism industry at the forefront of our deliberations because of the industry's importance. The industry generates expenditure of £53 billion a year, and accounts for up to 5 per cent. of our gross domestic product. It is our largest invisible export, and provides employment for 1.75 million people. It has been responsible for one in five of the new jobs created in this country over the past decade. The industry is managed by some 200,000 businesses around the country, the great majority of which are small businesses. In my constituency—as in all others—tourism bulks large as a provider of employment and expenditure, and as a generator of enterprise.

In that context, I should like to reflect on the fact that restaurants, bars and shops, as part of the hospitality and leisure sector, are at the heart of many high streets and city centres, including the city centre of Cambridge, part of which I have the honour to represent. In London, our thoughts must go to those who run the restaurants, bars and shops of Soho, who were providing hospitality and leisure last Friday when the area was bombed. Yesterday, they set about "business as usual". Our thoughts and congratulations should go to them for the way in which they have responded to those challenging circumstances.

Not all is well in the tourism industry. The latest statistics on overseas travel and tourism show that, in the year to February 1999—as compared with the year to February 1998—the deficit on the travel account of our balance of payments grew from £5 billion to £7 billion.

In Cambridge, an effective strategy was put in place in 1996. It was set up on the basis of the then figure of 3.6 million visitors to Cambridge, and on the expectation that, by 2001, the city would be dealing with 4.2 million visitors. In 1998, the numbers fell to 3.2 million visitors. What was essentially a strategy devised around the dispersal and management of a growth in visitor numbers is now being adapted to one that emphasises the enhancement of the visitor experience and the opportunities to visit Cambridge.

The strategy also makes sure that visitors have ample opportunity to take in attractions outside Cambridge, of which the imperial war museum at Duxford, with the American air museum—opened recently with lottery support and following considerable fundraising in my constituency—is an example.

In the past few days, the English tourist board has published its summary statistics on visits to tourist attractions, which show an overall drop of 2 per cent. in such visits. We are not simply managing long-term growth, and it is clear that we are working with an industry that is not maintaining its share of world markets, and is in continuing need of a strategy.

The Government's document "Tomorrow's Tourism" is an aspirational document, as is often the case. However, as is equally often the case with Government documents, the aspirations look fine, but the actions set out are more of a work in progress than an attempt to match up to the strategy. I share the concern of the industry—expressed not least by the British Incoming Tour Operators Association—that it is necessary to determine strategy first, and then to move to structure. However, the Government seem to be changing the structure and letting the strategy flow from it. That is the wrong way round. I would rather that we concentrated on purposes than processes in the first instance.

Sir Peter Emery (East Devon): My hon. Friend will recall that Mr. Rodgers of the Labour party, who later became Lord Rodgers of the Social Democratic party, signed 35 of my amendments to set up the English tourist board, which was not in the original Bill that became the Development of Tourism Act 1969. The idea was to try to ensure that England was helped equally with Scotland and Wales, which had never previously been the case, and has never been the case since. I hope that my hon. Friend will urge the Government to ensure that there is equality.

Mr. Lansley: My right hon. Friend brings a great wealth of experience to the subject, and he is absolutely right. The grant in aid to the various tourist bodies in England is about 20p per head, whereas it is £3.76 in Scotland and £4.99 in Wales.

The British Incoming Tour Operators Association said that it is clear that Ministers in Scotland and Wales, and indeed Northern Ireland, have understood that investment in the tourism industry can have high rates of return, whereas in England the message has not been understood. Joined-up government, as the buzz phrase has it, does not seem to work in the tourism industry.

Mr. John Butterfill (Bournemouth, West): Can my hon. Friend confirm that the situation is worse in real terms than in per capita terms, because the English tourist board last year received £9.9 million, whereas the Scottish

[Mr. John Butterfill]

tourist board received £19.3 million? There is double the spending in Scotland in absolute, let alone per capita, terms.

Mr. Lansley: My hon. Friend is right. Comparisons are odious, and I am not suggesting that the Scottish tourist board is acting in anything but an effective manner, but that effectiveness shows how much of the potential for action in England remains unrealised.

I am worried that there may be even further division within England of the way in which marketing is carried out. London is to have a mayor and its own direct marketing budget. Where does that leave other parts of England, such as South Cambridgeshire, which are considerable visitor attractions but receive little support?

Mrs. Virginia Bottomley (South-West Surrey): Does my hon. Friend agree that, in addition to the deeply frustrating question of the differential funding of tourist boards, the steps that the Government have taken have further disintegrated the joint approach to promoting Britain around the world? Scotland and Wales, being so much more generously funded than England, inevitably have much more affluent teams of people selling their part of the United Kingdom. There is a disintegration into different tribes promoting their own separate areas.

Mr. Lansley: If the Government intend that there should be a strategy, what more obvious example of joined-up thinking—to use their parlance—could there be than for overseas marketing to be conducted in a co-ordinated way on behalf of all the countries of the United Kingdom? There is some scope for the Scottish and Welsh boards to undertake their overseas marketing through the British Tourist Authority, but that is not true across the board.

I fear that there will be further fracturing, with London undertaking its own promotion. I applaud the idea of the mayor taking an activist stance in promoting London, because our tourist industry as a whole depends more on the role of London as a gateway than on any other single factor, but that should not be done in isolation from the promotion of other destinations—Scotland is a prime example—to which visitors can be drawn.

We need a strategy rather than simply work in progress. "Tomorrow's Tourism" contains references to transport, but they amount to no more than an assertion that tourism must be part of the integrated transport policy announced in the transport White Paper. There is a very close relationship between the way in which transport is managed locally and the volume of visitors to a location such as Cambridge, for example.

In 2000, local authorities will produce local transport plans for the first time. It should be incumbent on those authorities to prepare the plans in co-operation with other local authorities, the private sector and the tourist industry, so that we can see that they are consistent with local visitor management plans. The Department of the Environment, Transport and the Regions should take explicit account of the impact on the local economy when considering transport policies and programmes bids.

Positive planning is important. Because it is mostly small businesses, rather than the big battalions, that are involved, tourism is often at the behest of planning rather than being able to influence it directly. We must view tourism as a positive part of the planning process, not least because, as is evident in Cambridge and many other places, bringing in visitors can generate money that can regenerate an area if it is spent well.

Our heritage, with all our historic buildings, is the principal reason that visitors come to this country. We can use tourism as a positive agency for conserving our heritage. It brings in a lot of money, and we can use the tourist dollar in the planning process—through the preparation of conservation plans for historic assets, for example—to achieve broader environmental and planning objectives.

Planning policy guidance 21 is several years old. When, in the plethora of PPG reviews, do the Government intend to review it, in the light of, for example, the discussion on sustainable tourism? Tourism can be better managed so that it does not degrade the environment and, just as historic assets can be improved by tourism resources, it can make a positive impact on sustaining our environment.

Historic buildings brought back into use for tourism purposes can be better preserved as well as enhancing the visitor experience. For example, in the cities of New England there are buildings from the industrial revolution which have been preserved simply because they are being used as a visitor attraction.

In the range of joined-up government, what thought have the Government given to taxation in this context? I know that the British Tourist Authority has considered the impact of VAT on the competitive position of the United Kingdom economy in comparison with other European economies. Will the Minister respond to that? What scope is there, for example, for considering zero rating for the repair and adaptive reuse of historic buildings, which, as I explained in respect of the promotion of environmental sustainability, would certainly be a considerable incentive for the undertaking such work?

As for joined-up government, the principal failing at the moment—I am afraid that "Tomorrow's Tourism" neglects this altogether—is the impact of Government regulation on the industry. From talking to representatives of many businesses, I have found that most staff in my area are already paid more than £3.60 an hour. That is not entirely true across the country. The wages of many employees in restaurants, bars and shops, for example, have been raised to the minimum level.

Bearing in mind the experience of my area, the Government might take the view that the minimum wage and the working time directive do not cause businesses problems because they do not impose a direct cost on them. However, the compliance costs falling on businesses are substantial. For example, the working time directive is having a considerable impact on the way in which businesses can manage shift patterns for employees such as night porters in hotels. In a very flexible industry of many small businesses that do not benefit from a large administrative infrastructure, and in which staff come and go reasonably frequently, the minimum wage and the working time directive impose a burden of compliance that is out of all proportion to the benefits either to the employee or—certainly—the business.

One hotelier to whom I have spoken—he knows that it is true for many of his colleagues—has had to employ one person virtually full-time to manage the requirements of

the minimum wage and the working time directive, given the presumption that an employer is not paying the minimum wage unless he can prove the contrary.

One obvious further example of the need for co-ordination is in accommodation grading. One of the things trumpeted in "Tomorrow's Tourism" is that there is to be a new unified accommodation grading system, but it will harmonised, not unified. We will still be dealing with three organisations—the English tourist board, the Automobile Association and the Royal Automobile Club will be working together—and there will still be different systems in England, Scotland, Wales and Northern Ireland.

Sir Peter Emery: It is a nonsense.

Mr. Lansley: As my right hon. Friend rightly says, it is a nonsense, especially because people do not have to visit the United Kingdom. We must encourage them to come here, and make it easier and pleasurable for them to do so. If they find that the accommodation is not what they expected or they cannot anticipate what it will be like, they will not be attracted to this country. That is a further example of why we need to make things connect.

I was very disappointed by the response in "Tomorrow's Tourism" on training. From the very beginning, the document says that people are the key to how we can provide quality in the service industry. Although that is true, the document's exploration of training is weak. It is perfectly clear that, for the industry to be able to make its impact on, for example, training and enterprise councils and local training activity, there ought to be a national tourism training organisation. That is the only way in which sectors can have a strong voice and make the appropriate impact on local training decisions.

As a great devotee of and former incumbent of the British Chambers of Commerce, I should say that "Tomorrow's Tourism" pays far too little attention to the strategic desire for local partnerships to promote tourism activities. In America, for example, chambers of commerce and municipalities work very closely together on managing tourism activity.

Mr. Lawrie Quinn (Scarborough and Whitby): I thank the hon. Gentleman for referring to partnership; I was waiting for that word to come up. To me and to the people who work in tourism and the hospitality industry in Scarborough and Whitby, partnership is the key word. In "Tomorrow's Tourism", the hon. Gentleman will find a clear example of effective partnership in my part of the world, which is developing hospitality in particular. We are looking at matters such as training, too. I urge him to look very carefully at our example. Does he agree that the industry will develop and be far better in the future as a result of such partnership?

Mr. Lansley: I am grateful to the hon. Gentleman. I saw the reference to Scarborough and Whitby. There are several very good examples of local partnership in the document, as there often are in tourism. The partnership between the Cambridge tourism group and Cambridge city council is another good example. That reinforces my point.

If one works towards a strategy that is based on good practice, one often finds that, valuable though the work of, for example, the East Anglian regional tourist board may be, the focus of action must be complementary to the visitor's view of the area. The Cambridge sub-region and Cambridge might therefore connect with Huntingdon, Cromwell and Constable country and the imperial war museum in my area. By and large, visitors do not visit East Anglia as a whole. Although seaside resorts such as Yarmouth are important, their marketing must be different from that for Cambridge.

Mr. Quinn: I agree with the hon. Gentleman up to a point. The people in the industry whom I represent have struggled for many years under Governments of both parties, and have concluded that establishing partnerships with local authorities and others in the area is the way to ensure that tourism thrives. Where did the industry in my part of the world go wrong over the past 18 years under the hon. Gentleman's Government? People in my area did not see an approach such as that suggested in "Tomorrow's Tourism". We did not receive any national help or hear of any national strategy, as he seems to be saying we did.

Mr. Lansley: The hon. Gentleman is asking me to revisit the past; I am talking about a strategy for the future. It is important that we focus on the future. It seems perfectly clear that if we built a strategy on examples of good practice and first principles, we would be putting more effort and power into the ability to create local partnerships, so that visitors are managed, and businesses—often small ones—can feel that they have an influence. A national body should provide a strategy and, through the BTA, marketing in England in order to attract visitors to local areas.

The Government have gone in the wrong direction. They are trying to shift the national role to regional tourist boards—the relationship between the ETB and the consumer and marketing is to disappear completely, for example—but such boards should be responsive to local action and be drawing their role from local communities and partnerships. The role should not be set from the top down.

The Government are obsessed with regionalism, but pursuing it for tourism is not what the industry is looking for—it is looking for effective overseas marketing co-ordinated by the BTA, for national champions to market and promote harmonised national products, and for power and resources to get behind local partnerships so that they can provide the visitor experience, visitor management plans and destination management systems which are able to work successfully at a local level.

It is right that the Government should publish a strategy document, but it is a pity that they have not sought to expose it to debate in the House. I therefore hope that this debate serves some purpose. I hope that Members on both sides of the House will propose further ideas on how to create a strategy where, at the moment, there is none.

10 am

Mr. John Butterfill (Bournemouth, West): First, I congratulate my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) introducing this debate on a matter that, as he rightly says, is of considerable national importance, given that the tourism industry contributes nearly 5 per cent. to our gross domestic product. Indeed, if one also takes into account the leisure industry, the contribution is probably considerably greater.

[Mr. John Butterfill]

I shall make one or two brief comments, the first of which has to do with the principle of joined-up Government. I very much supported the idea that responsibility for tourism should be moved from the Department of Employment, as it was at the time—it is now under the control of the Department for Culture, Media and Sport. As my hon. Friend the Member for South Cambridgeshire has pointed out, a great many of the visitors to this country come for our cultural heritage, historic buildings and royal palaces, and to experience many of our cultural activities.

That leaves me rather puzzled at the arrangement of responsibilities within the Department. For example, the Minister for the Arts is responsible for arts, crafts, music and the Government's art collection; for museums, galleries and libraries; for the built heritage, the royal estate and architecture and design; and also for the Department's interests in information technology, training and education. Training and education also play a big part in the tourism industry, but, as all those responsibilities tie in closely with that industry, one would expect that Minister's role to include tourism.

I mean no criticism of the Minister for Tourism, Film and Broadcasting, but her responsibilities, in addition to tourism, include broadcasting, film and the press, and the creative industries. She supports the Secretary of State on the millennium project and she is responsible for international, European, regional and local authority policy issues. However, those issues do not tie in very closely with tourism. Given that tourism, appropriately, is allied with her Department, why is it that that alliance is not reflected in the allocation of ministerial responsibilities?

My hon. Friend the Member for South Cambridgeshire referred to the importance of tourism to the nation, but tourism's local importance varies greatly between areas. More than one third of the local economy in my constituency is derived from tourism. If one adds in the associated leisure activities, the figure could be around 50 per cent. Those proportions apply equally to many other towns and cities in the United Kingdom, where tourism is the lifeblood of the local economy, and not just an ancillary industry.

Therefore, it is important that the industry be encouraged in a way that is dynamic and creative. I am afraid that not many examples of dynamism and creativity are evident at present. My hon. Friend mentioned the funding given to the English tourist board, but British Tourist Authority funding is also vital when it comes to attracting visitors, and it has been cut under this Government. That is extraordinary, given that, for every pound that it spends, the BTA returns about £27 to the Exchequer. Britain is the fifth largest recipient of overseas visitors in the world, but the numbers coming here are well below those visiting Spain, France and Italy. Given our heritage—and how important that is for international tourism—that is not very satisfactory.

The Minister for Tourism, Film and Broadcasting (Janet Anderson): I apologise for intervening on what I recognise is Back-Bench time, but I must correct the hon. Gentleman. Is he aware that my right hon. Friend the Secretary of State recently announced an additional £5 million for the British Tourist Authority over the next three years?

Mr. Butterfill: I am aware of that, but Library figures show that the amount available to the BTA went down last year, and that the increase, which is spread over three years, will do little more than keep up with inflation—so there will probably still be a real-terms cut in the amount being spent. The Government's approach is timorous where it needs to be much more dynamic. Last year's cut in the money for the BTA caused much anxiety across the industry, not least in the BTA itself.

The disparity between England on the one hand, and Scotland and Wales on the other was mentioned earlier. The ETB receives £9.9 million, but its counterpart in Scotland gets twice that, and that in Wales receives nearly £15 million. It is extraordinary that so small a country as Wales should be spending so much more on tourism than England.

I want now to deal with the question of value added tax. The Government have said that they are keen to harmonise VAT rates across the European Union, but VAT rates for hotels in this country are the second highest in Europe, which puts our hotels at a substantial disadvantage. In addition, air passenger duty means that visitors to the United Kingdom from outside the EU pay £20 to enter the country, while visitors from the EU pay £10. The Government doubled the air passenger duty last year: surely that is the wrong signal to give to visitors.

Mr. Quinn: What is the hon. Gentleman's opinion of the proposed reduction in value added tax for tourism and hospitality? Does he support that proposal? I do, as I believe that it will free up resources for reinvestment at the grass roots of our tourism industry.

Mr. Butterfill: As I have made clear, the present disparity between our VAT rates and those of other countries is not sustainable in the long term. In a moment, I shall describe the other ways in which we ought to invest in the industry, especially at a local level.

The question of raising standards has been discussed already, as has the extraordinary nature of the so-called semi-official classification. That helps neither overseas visitors nor domestic tourists. We need to work to some internationally agreed standard, so that people travelling here from around the world will have some idea of what they will encounter.

An even more difficult problem is posed by the cowboys in the industry—the small unregistered establishments that I believe ought to be registered. Some of them get away with murder: they do not pay their proper contribution in taxes, they offer substandard accommodation, and they gain all sorts of other advantages. For example, landlords of holiday flats in my constituency came to me recently to query the requirement—imposed on them because they are registered—that water meters be installed in the flats. In contrast, the cowboys in that industry, who are not registered, do not have to install water meters. The landlords to whom I spoke therefore have to bear an additional cost as a result of being registered. I urge the Government to clamp down, through local authorities, on those who often give the industry a bad reputation.

Other legislation has also had an impact. For example, there is no doubt that the minimum wage is causing job losses in my constituency. An hotelier with three establishments in Bournemouth told me that the minimum wage will cause about seven full-time-equivalent jobs in his business to be lost. That is a great worry for him, as for many others in the same line of business.

Even more difficult is the working time directive. Very often it concentrates merely on the 48-hour maximum, but the real problem lies in the rigid shift patterns and break requirements that the directive imposes. All that sits uneasily with an industry that often operates on a 24-hour basis and must provide service to people who stay in hotels or visit clubs and restaurants. The industry works huge hours, and its shift patterns have been severely disrupted by the working time directive.

Bournemouth is one of the most successful seaside towns, and rightly so. Successive local authorities have invested in the town's future, building premises such as the Bournemouth International Centre, which can encourage different types of visitors from conference tourism. All local authorities must invest in the future if they want to survive and succeed. The country is littered with resorts that have not invested and have declined as a result.

At present, there is no real incentive for authorities to invest. There is no Government encouragement and there is no benefit. Authorities that do invest often face a disbenefit because the national non-domestic rate is clawed back in its entirety by the Government. Authorities end up paying for their investment, getting little or nothing back in return.

The Government might consider a mechanism under which local authorities could be rewarded for investment by being allowed to keep part of their national non-domestic rate, hypothecated for tourism. I appreciate that that idea falls outside the Minister's direct departmental responsibilities, but she may wish to consider it and to make representations to the appropriate Department.

The Government are obsessed with regionalism, but the existing regions unfortunately fail to reflect the true economic boundaries within which we operate. Bournemouth and Dorset are in the south-west region. We were moved there by a previous Conservative Government in an appalling act of vandalism. Bournemouth was snatched from Hampshire and thrust into Dorset.

We have no particular connection with the south-west. The road links from Dorset to the south-west are virtually non-existent, and the rail links are totally non-existent. All our connections are towards London and the central south coast region. My local authority and others along the south coast have developed the South Coast Metropole, which works together to market attractions and economic development. That is sensible, and we should have a central southern region that incorporates all the areas that sit together naturally.

Mr. Laurence Robertson (Tewkesbury): I am sure that my hon. Friend will recognise that the same problem exists in other parts of the country. For example, Gloucestershire has far more in common with Hereford and Worcester than with what is termed the south-west, for which Cornwall and Devon are given priority and Gloucestershire loses out.

Mr. Butterfill: My hon. Friend makes precisely the point that I sought to make, although I was concentrating on my own constituency. Areas throughout the country feel that they do not properly belong to the region into which a Department of Government has thrust them. If the Government intend to pursue a regional policy, I hope that they will re-examine the regional boundaries to try to fix them on the basis of economic cohesion rather than by drawing inappropriate lines on a map.

10.14 am

Mr. Ronnie Fearn (Southport): I am pleased that the hon. Member for South Cambridgeshire (Mr. Lansley) has given us another opportunity to debate tourism. At one time, I thought that tourism debates were taboo, but we have had three of them since then.

The Government's long-awaited strategy for tourism has been published. I welcomed the establishment of a tourism forum that included many sectors of the industry and employee representatives, because only through consultation with the industry can we progress. The forum sets high goals. I agree that standards must be raised, so we must invest in the people who work in the industry and in our attractions. We must market effectively at home and abroad.

If we are to increase the tourism yield without damaging the environment, quality must be the name of the game. I make no bones about congratulating the Government on their decision to make the tourism forum a permanent fixture. The forum and the Government will together monitor the progress and assess the annual achievement of goals at a tourism summit. Continued monitoring by those who have real enthusiasm for the industry, and a great deal of expertise, is essential if we are to achieve our goals.

A national body is the only group that can effectively monitor international developments, despite changes in Scotland and Wales. The forum must take care to assess the best achievements of our competitors abroad. I do not mean that we should duplicate what they provide, but we should learn from them and match the quality of their facilities and service.

Both the tourist and the business traveller are becoming ever more discerning, and they demand good standards. Many of our hotel prices—especially in London—are high in comparison with those of Europe, the United States and Asia. We must ensure, therefore, that our standards of service and the quality of our facilities are improved and kept high.

Visitors should also be entitled to clarity and ease of understanding. The new national grading system for hotels and guest houses must achieve that. It should be simple to understand, and it should be implemented without delay. Perhaps the Minister will tell the House when she expects the programme to be achieved.

The tourism forum is very much in line with the Liberal Democrat call for a permanent tourism commission. Nine months ahead of the Government's strategy, we called for a joint Government and industry body, headed by the Tourism Minister. Its role would be to propose strategy, set standards and monitor achievements.

It is of paramount importance that the tourism forum and summits do not disintegrate into talking shops. I seek assurances from the Minister that agendas for the summits

[Mr. Ronnie Fearn]

will be wide reaching and that the Department for Culture, Media and Sport will give priority and vigour to implementing recommendations.

For many years, successive Governments neglected to recognise how much tourism contributes to the economy. Governments must never forget that the industry is worth £53 billion a year, employing 1.75 million people, or 7 per cent. of the work force. It is more important, economically, point of view, than all the Department's other functions put together.

I cannot join those who oppose the minimum wage. I recognise that the cost of living is much higher in London than in, for example, the north-west, and I should prefer a regional minimum wage. However, I also accept that the minimum wage has, for the time being, been set fairly. For far too long, businesses in the tourism industry have suffered excessively high staff turnover because of low wages and poor prospects for training. There has been a vicious circle. Many businesses have traditionally paid low wages not because they wanted to, or because they thought it right, but because they felt compelled to do so because their competitors did so. Now, forward-thinking businesses will be able to retain and train their staff. Training and skill retention are the key to much of the Government's strategy to raise standards and quality.

I suggest that the Government go further by considering a proposal that businesses should give training to their staff—an investment in education and training—through the introduction of a 2 per cent. levy on payrolls. The training could be provided in-house, or by approved training providers. Small and new businesses would be exempt. Some pioneering businesses already provide in-house training above that level, and their success shows how advantageous it is in the long term.

In other areas, Government policy remains sadly lacking. Transport is a major component in the tourism product, and the tourism document suggests that hotels, shops and restaurants should be built near main transport routes. Does the Minister intend to have Stonehenge and the lake district moved? The very nature of tourism is that tourism-related facilities must be placed very close to attractions if they are to be used and so be viable. Much of our tourism product is based on our landscape and existing heritage sites, many of which are located in areas that receive little publicity and have few public transport facilities.

One of the greatest problems facing our domestic tourist industry is that our traditional resorts are declining. Through funding from the lottery, special regeneration budgets and European grants, it is gradually becoming possible to preserve and upgrade some existing attractions and to create new ones at those resorts. The funding is currently only a trickle, but I hope that the regional development agencies will concentrate on meeting the pressing need for funds.

Mr. Adrian Sanders (Torbay): My hon. Friend raises an important point about the regeneration of some of our traditional seaside resorts, which currently have to cope with crumbling infrastructure and with being on the periphery, both geographically and economically. The danger is that many of them will become fixed-income economies unless more is done to boost economic activity. The debate has concentrated on foreign tourism, but less than 10 per cent. of tourists come from overseas. The problem for our seaside resorts is that most people in this country live within an hour of their regional airport, rather than their seaside resort. Will my hon. Friend urge the Government to do more to regenerate seaside economies?

Mr. Fearn: I strongly agree with my hon. Friend. The improvements that we have mentioned will be of no value if potential customers are prevented from having access to the resorts, most of which are located around the coast. Since the election, the Government's refusal to upgrade roads to the resorts has been a continuing problem. It would be an acceptable and even laudable policy if only public transport access to those towns were increased; sadly, no such improvements have materialised. It really is a case of putting the cart before the horse.

In my constituency, there is continued investment in infrastructure and in old and new attractions through the construction of the attractive new promenade, grants for the restoration of the pier and the new modern tourist entertainment site that is soon to be developed on the seafront. However, there has been no improvement in rail services or roads feeding into the area, despite our receiving more than 4 million day visitors per year. The story is the same throughout the country: even if resorts are developed, the congestion involving in getting to them and going home, which causes irritation and pollution, deters visitors from returning. Does that help or encourage the 40 per cent. of the population who do not even take holidays to visit our coast, or our attractive inland resorts and countryside?

I urge the Minister to ask her colleagues at the Department of the Environment, Transport and the Regions to rethink their current policies. I do not mean that they should tarmac everything in sight, but they should invest more in public transport that is geared to tourism areas and occasionally allow the placing of a strategic route to an unserved area whose economy depends on it. Reopening some of the excellent tourist rail routes closed by Beeching, such as the one that ran from Preston to Southport via the Burscough Curves, would be a real step towards making our railways a public asset once more; many such lines are still available for redevelopment.

The Government must do more to create the right economic climate for tourism to flourish. I have asked time and again what progress has been made in investigating the proposal to reduce value added tax on hotel accommodation to average European levels. That question has not been answered in the tourism document, or by the Minister.

Will the Minister vigorously fight the threat to impose air passenger duty both ways on internal flights in the United Kingdom? Tourism is the largest industry in Scotland and is essential to the economic future of Northern Ireland. As the great majority of international visitors to the UK arrive in London and then travel on within the UK, is not that tax an incentive to the tourist to stay in the London area, which already teems with tourists in summer? Surely, sustainable tourism involves encouraging visitors to spread throughout the country, rather than deterring them from doing so. The BTA and the BITOA are especially alarmed by that development and I ask the Minister to take the matter seriously.

It cannot be handled by the new Scottish Parliament or the Northern Ireland Assembly, but must be dealt with here in Westminster; I urge her to support Scotland, Northern Ireland and Wales.

Finally, may I remind the Minister that, in spite of promises to do so, she has yet to visit Southport?

10.26 am

Sir Peter Emery (East Devon): I shall be brief and raise only three points, as I know that other hon. Members want to speak.

The first point follows from the remarks about the south-west by my hon. Friend the Member for Bournemouth, West (Mr. Butterfill). Although there are indeed concerns about the borders of the south-west, even as they stand, it is worth pointing out to the Minister that the south-west, with its infinitesimal amount of grant per head compared with that of Wales and Scotland, takes nearly double the number of tourists as Wales and Scotland combined. That cannot make sense. Along the whole Devon coast, tourism is almost, if not outright, the largest employer and biggest industry in seaside towns. Without tourism, there would be a major collapse of infrastructure in those areas, so it is essential that the Government pay greater attention to the creation of jobs in the tourist industry. We have not heard about job creation so far in the debate, and I urge the Minister to take that into consideration.

My other two points relate to upgrading. We must take positive steps to upgrade the standing of those who work in the catering and hotel industries. A chef in France is a person of considerable standing, but a chef in a hotel in Sidmouth is just a chef, because those who work in the tourist industry have no standing in their community. Many people come from Italy and France to work in hotels in this country, but I should prefer that we raise the standing in the community of such work, so that English people can take pride in working in the catering and hotel industry.

Mr. Quinn: Is the right hon. Gentleman aware that many young people perceive a career in hospitality and catering—especially the culinary crafts—as being an attractive prospect? That enthusiasm is owed in part to the phenomenon of the television chef. As well as good English people, we have good Scottish, Irish and Welsh people, some of whom serve up fantastic dishes in Scarborough and Whitby in Yorkshire—I urge the right hon. Gentleman to come and try them.

Sir Peter Emery: We are doing better—no one would suggest that we are not on the up slope—but in most of the seaside resorts the number of people with good qualifications is extremely limited, so I want the Government to do more to upgrade in that area of work.

My last point relates to the upgrading of the standard of food and food preparation. One of the great features of France is the Michelin guide and the fact that one can go to nearly any town or village within France—the same applies to Italy—and enjoy food of the very highest standard. Unfortunately, that is not the position in Britain. However, Egon Ronay, with great ability, has raised the standard of cooking and the status of the chef, and amazingly in London we have two three-star Michelin restaurants. That would not have been thought possible a few years ago.

One of the great pleasures for a tourist or a holidaymaker is to go to a restaurant and have a special meal of a high standard. The Government should pay much greater attention to upgrading the standard of food and the standard of restaurants throughout the tourist industry. If the Minister were to pay some attention to that, she would do well. I apologise to the hon. Lady because I may not be able to remain in the Chamber to hear her entire speech. Madam Speaker has a ceremony at 11 o'clock in the Royal Gallery and I have to be in attendance. I thank the Minister for paying attention to what I have had to say.

10.31 am

Mr. Paul Tyler (North Cornwall): I am grateful for the opportunity to make a brief contribution to an extremely important debate about an extremely important industry. Indeed, it is the growth industry, as the Organisation for Co-operation and Development has indicated on many occasions. That applies not only to my area, the west country and especially Cornwall, but to the entire United Kingdom.

The trend towards a widening gap between support for the tourist industry in Scotland, Wales and Northern Ireland on the one hand and for England on the other has been apparent for a long time. The hon. Member for South Cambridgeshire (Mr. Lansley) may be forgiven for not recollecting what happened in the previous Parliament because he was not then a Member of this place. However, I thought I saw just now the right hon. Member for South-West Surrey (Mrs. Bottomley) in her place. Indeed, I thought that she got to her feet. I thought she said that she found this "deeply frustrating . . . differential funding" something to complain about and deplore.

I thought that the right hon. Lady was the Minister with responsibilities for tourism in the previous Government. I do not recall her making such a comment when I and many other hon. Members from other holiday industry areas complained about the widening gap. Indeed, the per capita figure, to which hon. Members have referred, widened dramatically during the period of the Conservative Government, to a point where mere pence were being used to promote the industry in important areas of England, while the pounds were increasing in Wales, Scotland and Northern Ireland. During the right hon. Lady's period in office—if it was she who was here and not her ghost—the gap widened drastically.

Mr. Peter Ainsworth (East Surrey): Does not the hon. Gentleman think that the development of the Government's devolution policies have added a new dimension to the debate about the disparity in funding between the various parts of the United Kingdom?

Mr. Tyler: I do indeed. I hope that the Government will respond by expressing a clear view. I welcome sinners who repent; if the hon. Gentleman is saying that the previous Conservative Government were deplorable in this regard, I entirely agree with him. I hope that we can redress the balance.

In Cornwall, which is the holiday destination par excellence in the United Kingdom after London, we have had very little tourism promotion and we still have, as has been accepted in our bid for objective 1 status under European Union regional funds, the lowest household

[Mr. Tyler]

incomes in the country. We still have high levels of unemployment. Therefore, the promotion of the industry is extremely important.

I take up a specific point that was referred to briefly by the hon. Member for Bournemouth, West (Mr. Butterfill), and that is what he described as cowboys. I prefer to refer to them as pirates. I am talking about the differential in terms of costs and controls between legitimate real businesses and those who by various means escape costs and controls. This differential is widening dramatically. I know that the hon. Gentleman will agree—he made the point himself—that that is largely the result of controls and regulations introduced by the previous Conservative Government rather than since the general election.

For example, fire regulations dramatically ratcheted up costs. I do not understand why it is better for a visitor to be burnt in his or her bed when there are five bed places in the establishment than to be burnt if there are six or more. There must come a point where that differential does not make sense. As for health and hygiene, why is it better to contract food poisoning in a small establishment than in a large one? Surely that is something that we need to redress.

Trade refuse charges have been introduced throughout holiday areas as a means of trying to maintain a healthy local authority economy. Those charges impinge so much more heavily on legitimate businesses than on pirates. The uniform business rate brings about a dramatic difference between those who are registered as businesses and those that are not. As for value added tax, throughout the previous Parliament those of us who represented holiday areas were complaining about the lack of harmony, not only in terms of accommodation but in respect of all facilities. Having failed miserably to persuade the Conservative Government to take the issue seriously, I hope that the Labour Government will reconsider the matter.

All these matters differentiate between two separate groups. The pirates, as I describe them, evade extra costs. For example, they have more bed spaces than is legitimate and they manage to escape detection. They must be effectively monitored and then brought within the system.

However, now that the cost differential is so very great, we must find a way of bringing those who run perfectly reasonable, good small businesses, offering a welcome to their visitors, for example, within the system.

I think that there is genuine unanimity about the importance of the industry. I believe that all three parties are taking it a great deal more seriously than they did 10 years ago, for example. However, let us not forget that the trend has been against us for many years. Reversing that trend will require all the Minister's energies and enthusiasm, and those of many other Departments of government.

10.37 am

Mr. Peter Ainsworth (East Surrey): I begin by congratulating my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) on securing this brief but important debate on the tourism industry. I congratulate him also on the characteristically thoughtful and articulate way in which he introduced the debate. He spoke of the things that really matter to those who are involved in the industry. He referred to its economic importance, which is not in doubt. He spoke of issues relating to transport, planning, sustainable development and regulation. These are the things which those in the tourism industry want to hear discussed in this place.

I thank my other right hon. and hon. Friends who have participated in the debate. My right hon. Friend the Member for East Devon (Sir P. Emery) and my hon. Friend the Member for Bournemouth, West (Mr. Butterfill) both made immensely worthwhile contributions based on long experience and knowledge of the tourism industry. I was particularly struck by the points that they made about the local importance of tourism to their constituents as well as the national importance of tourism, with which we are all familiar.

It is pleasant to see the hon. Member for Scarborough and Whitby (Mr. Quinn), who alone represents Labour interests on the Government Back Benches. It is a pity that not more of his colleagues came into the Chamber to join in the debate. I had the opportunity of visiting Scarborough not long ago. I know how much work is going on in that town to support the tourism industry. I know, for example, of the transport problems that it faces. I will not embarrass the hon. Gentleman by reminding him of the Deputy Prime Minister's visit and the story of the bogus train ride.

Mr. Quinn: Will the hon. Gentleman give way?

Mr. Ainsworth: No. I do not have time to give way. We can talk about the matter afterwards, if the hon. Gentleman wishes.

Everyone in this place agrees about the huge economic significance of tourism. Since taking up her office, the Minister for Tourism, Film and Broadcasting has tried quite hard. She has a warm personality, but, unfortunately, that and warm words are not enough. I feel that there is growing frustration in the tourism industry. It is not only that the Department's budget for tourism is being cut by £2 million in real terms; there are growing concerns that most of the major issues that confront tourism are not being addressed.

We looked forward to the publication of the tourism strategy. Ten months overdue, and boasting the fatuous new logo of the Department for Culture, Media and Sport, it appeared. However, it is not a strategy at all. Like so much else that emanates from the Government, it is designed to give the impression of busy activity, without committing Ministers to doing anything much, except attending the occasional summit. Publicly, the industry was lukewarm about the document, though others were more critical. Privately, those in the industry are angry at the wasted opportunity. They are angry that the document was bereft of useful national data and failed utterly to address their key concerns.

What are those concerns? The Minister may be told and may even believe that all is well. It is not. We heard from my hon. Friend the Member for South Cambridgeshire about the trade deficit. We heard about falling visitor numbers to the main attractions and our declining position in world markets. There are other problems—regulation, bureaucracy, planning constraints, licensing problems and transport gridlock. Those are the issues which we hear about when we listen to the tourism industry. Nowhere does the Government's tourism strategy document offer any hope or practical suggestions on those matters.

The tourism industry is defending the front line against the Government's remorseless extension of bureaucracy and new taxes. Since 1 May 1997, the Government have introduced no fewer than 2,400 new regulations, many of which bear hardest on the tourism industry—for example, the national minimum wage. The problem for decent, hard-working people in smaller businesses is not the cost of paying the national minimum wage, as the overwhelming proportion of them do anyway, but the cost of administering it—the extra paperwork, the extra systems, the extra associated costs and the consequent lower profits, leading to less investment and fewer jobs.

For some, like members of the British Activity Holiday Association, who employ large numbers of younger people away from home on short contracts, the minimum wage spells possible disaster. I know that strong representations have been made to the Minister about the adequacy of the £20 accommodation off-set, and whether it will be increased or even maintained. I hope that those representations have not fallen on deaf ears, and I look forward to the Minister's comments on that in her reply. The activity holiday industry will be listening carefully, too.

Let us consider the working time directive. The tourist industry, more than any other, needs flexibility in its labour force. It is true that the majority of large corporations in this sector can absorb the extra costs of such measures. They do not want to do so, it will cost them many millions of pounds and it will mean fewer jobs, but they can do it. However, the majority of the industry is made up of small businesses, which can ill afford the extra costs of bureaucracy. The fixed on-costs of compliance in terms of extra clerical work, computer systems and so on are much the same whether a business is turning over £50 million or £500,000, but the burden is greater on smaller businesses.

The parental leave directive, the part-time workers directive, the working families tax credit and the child care credit all pile further costs on to an industry that the Minister claims to support. Then there is the Government's policy of fairness at work in the Employment Relations Bill currently under consideration. I wonder how many people running small hotels or restaurants are aware of what the Government have up their sleeve for them, such as compulsory trade union recognition for companies employing as few as 21 people, and parental leave proposals whose only social and economic effect will be to make it harder for women to get jobs in an industry that has traditionally led the way in providing employment opportunities for women, training them and promoting them.

Each and all of those measures are bad for the tourist industry, but the cumulative effect could be crippling. In the short term, it could drive many businesses out, and in the long run the Government are erecting enormous barriers to new entrants to the market. Does the Minister know that, while she goes around heaping praise on the tourism industry, her Government are busily erecting barriers to those dynamic new entrants who want to make it grow? In doing so, the Government are creating an underlying structural weakness in the entire industry, which it will take years to put right.

I have dwelt on the sins of omission perpetrated by the so-called tourism strategy. There is one sin of commission that cannot go unmentioned. It was touched on earlier. The Government's original intention was to abolish the English tourist board. No one asked for that. It was proposed as part of the Government's overall political agenda to do with the federalisation of England. Faced with enormous hostility from the industry, the Government at first dithered, then fudged. We are now to have an English tourism council.

The most striking feature of this new body is that, unlike its counterparts in Wales, Scotland and Northern Ireland, it will have no remit to market the country that it purports to represent. I should be grateful if the Minister could confirm that there will be no one to handle the 300 or so consumer and media calls each month that are taken at present by the English tourist board, and that there will be no one to answer questions about tourism in England. Does she expect that work to be undertaken by the British Tourist Authority? If so, will the BTA be remunerated for that? It is already closing offices around the world because it cannot afford to keep them open. Incidentally, it does an excellent job, as do the Scottish, Welsh and Northern Ireland tourist boards, and many of the regional tourist boards.

The replacement of the English tourist board by a neutered central bureaucracy is a slap in the face for England. As the Minister knows, the chief executive of the English tourist board has resigned. He was a marketing man, who was brought in to do a marketing job. That job has been removed and he has gone. There is no chairman at present, either, so matters are being allowed to drift.

I say that England needs a voice. It is not surprising, but it is depressing none the less, that I increasingly hear people in the industry questioning whether they would be better off if they were sponsored by another Department. The answer to that, in my view, is that they would not. It is not a different Department that they need, but a different Government. They need a Department that will believe in them, that will act for them and that can carry clout across Whitehall. It is already abundantly clear that they will not get that from Labour.

10.48 am

The Minister for Tourism, Film and Broadcasting (Janet Anderson): I congratulate the hon. Member for South Cambridgeshire (Mr. Lansley) on securing the debate on an extremely important industry, as he rightly said. That is why the Government produced the strategy that has been referred to frequently in the debate, and which I shall deal with later.

Tourism is the fastest-growing industry in the world. As has already been said, one in five new jobs that have been created in the past 10 years have been in the industry. The Government estimate that it is worth £53 billion a year to the economy, and as we know, it employs 1,750,000 people.

Hon. Members have touched on various issues that are the responsibility of other Government Departments, such as VAT on accommodation—

Mr. Peter Ainsworth: What about joined-up government?

Janet Anderson: The hon. Gentleman will know that the Government's strategy contains a proposal to do with joined-up government. For the first time ever, we shall have a tourism summit that will bring together Ministers

[Janet Anderson]

from all Government Departments to discuss the needs of the industry. Can the hon. Gentleman tell me what his Government did to support the industry? I remind him that for the first time ever, this Government have a Minister with the word "Tourism" in her title. The previous Government were not prepared to give the industry such acknowledgement.

I see that the Opposition have belatedly set up a forum to consult the industry. In the course of producing our strategy, we consulted no fewer than 200 representatives of the industry. That is a record which the hon. Gentleman quite simply cannot match.

Many hon. Members have referred to funding and the disparities between England and Scotland and Wales. I am sorry, but I have to say yet again that the previous Government reduced funding for the English tourist board from £25.8 million in 1988-89 to less than £10 million when they left office. It is relevant to remind the House that the hon. Member for East Surrey (Mr. Ainsworth) was parliamentary private secretary to the right hon. Member for South–West Surrey (Mrs. Bottomley) when she was Secretary of State.

We have heard much criticism and, first, the national minimum wage and the great burdens that it is putting on the industry was mentioned.

Mr. Butterfill: Although it is absolutely true, as the Minister says, that funding was reduced under the previous Government, this Government have continued that process. Funding for the English tourist board was £10.3 million when they came to power; they reduced it to £9.9 million. Funding for the British Tourist Authority was reduced from £36.5 million to £35 million. Even if the much-vaunted £5 million over three years is included, that comes to £40 million for the BTA by the end of that period. If the Government had simply put funding up by 3 per cent. on the figure that they inherited, the total would have been £41.08 million.

Janet Anderson: We would all like there to be more money, but what we do with what we have available is the important issue. There has been an increase in funding to the BTA, the ETB has been restructured and the new English tourism council has been set up. One reason for that—I will come to this later, if I have time—is to release more money into the regions. Would Conservative Members prefer that money not to go to the regions?

Mr. Ainsworth: Before the Minister moves on—and, I hope, moves away from her trip down memory lane—will she confirm that the departmental budget for tourism is being cut?

Janet Anderson: I do not want to repeat things over and over again, because we do not have that much time, but the hon. Gentleman knows that funding to support tourism has been increased for the first time in many years. Through our restructuring, we have made sure that there will be more money to go into the regions, and that has been widely welcomed by the regions.

May I quickly counter some of the criticism that we have heard this morning by quoting some of the comments that we have received about our strategy? The British Casino Association said:

"I write to congratulate you on the publication of 'Tomorrow's Tourism' which shows a cohesive approach to improving Britain's competitiveness as a world class tourism destination."

The Holiday Care Service said:

"I was very pleased to see that the new Tourism Strategy which your Department published a couple of weeks ago highlights the way in which the industry can play its part in helping to create a fully inclusive society."

CenterParcs wrote:

"Firstly, I don't want the launch of 'Tomorrow's Tourism' to go by without congratulating you again on the very considerable feat of having managed to get a very clear and focused strategy document from the many and quite disparate views held within the tourism industry."

There are many more—

Mr. Ainsworth: Will the Minister give way?

Janet Anderson: No, I will not give way again; I have given way several times and I want to get on with what I have to say.

Conservative Members have referred to the national minimum wage. I do not know whether they are aware that, on the day that the pay of 2 million employees increased as a result of the national minimum wage, a new independent report showed that companies in the sector most affected—the service sector—are experiencing expansion, not job losses as some predicted. I suggest that Conservative Members refer to the report of the Low Pay Commission and study it with care.

My hon. Friend the Member for Scarborough and Whitby (Mr. Quinn) has been helpful to me in my post as Tourism Minister and I compliment him on what has been happening in his constituency. Reference was made to lack of partnership, but, as my hon. Friend said, partnership is very much in evidence in Scarborough and Whitby and previously declining seaside resorts are going through a substantial period of regeneration. I congratulate him on his contribution to that.

The hon. Member for Bournemouth, West (Mr. Butterfill) said that he did not understand the division of ministerial responsibilities in the Department. We have not only joined-up government, but a joined up Department as well. We speak to each other.

The hon. Gentleman referred in particular to cowboys in the industry; we want to deal with them. We also want to do something about quality in the industry. Only yesterday, I was consulting a group of hoteliers to see what we can do.

The reputation of the hon. Member for Southport (Mr. Fearn) is well known and he knows the problems of the industry only too well. I will do my best to visit Southport soon. He referred to transport routes and to the lake district in particular. I invite him to keep a close eye on developments because, before too long and following consultations with my colleagues in other Departments, we will be making announcements to do with the lake district. The Cumbria tourist board has already put together its own business plan based on our strategy, "Tomorrow's Tourism".

"Tomorrow's Tourism", the Government's new strategy for the development of tourism in England, was developed with the help of Departments across Whitehall

and with the co-operation of nearly 200 representatives of the industry. I will not set out the raft of initiatives detailed in the strategy, because we do not have time, but all are a first for any Government and such problems have never before been addressed by any Government. I say to Conservative Members that "Tomorrow's Tourism" will not be a "here today, forgotten tomorrow" strategy. It contains well-thought-out, genuine commitments to action and is a springboard to the future. It will remain the basis of our agenda for years to come. Unlike the hon. Member for East Surrey, we set up a tourism forum—some considerable time ago—which will continue and will be followed by a ministerial summit with Ministers from all Departments.

The hon. Member for South Cambridgeshire, who initiated the debate, said that there is no national training organisation for the industry. I reassure him that the Hospitality Training Foundation is the NTO for those in hospitality-related occupations. There is widespread recognition that the quality of customer service provided by the people employed by the tourism, hospitality and leisure businesses is crucial to success. That is why a working group of our tourism forum considered how the industry could improve the way in which it recruits, manages, motivates and equips its people with the skills that they need to provide excellent customer service. The objective is to build a more stable, appropriately-skilled work force for the future.

I invite hon. Members on both sides of the House to join in national hospitality week in June, and to initiate events in their areas to highlight the importance of the industry and the career opportunities it can provide for our young people.

Particular reference has been made to planning. As reported in "Tomorrow's Tourism"—I wonder whether some of the hon. Members who spoke in the debate have bothered to read it—the Government are researching how planning policy guidance for England can best facilitate leisure and tourism developments while achieving more sustainable patterns of development in travel. That research will be completed this year.

Concern, of which we are aware, has rightly been expressed about the burden of regulations on the industry. The forum and the summit will be considering that issue. There has also been much criticism of regionalism. We are creating the English tourism council—which will be a more effective, leaner national body for tourism in England—to focus on the national strategic framework rather than on provision of direct services.

Reference was made to the lack of national data; that will be one of the functions for the new strategic body. We will also ensure that all the regions of England can benefit from the future growth of tourism. A greater proportion of funding will directly support tourism in the regions and the new regional development associations will make tourism a key part of their economic development strategies.

Finally, I say again that the Government take the industry very seriously.

Kosovo

11 am

Mr. Tony Worthington (Clydebank and Milngavie): The immediate impetus for this Adjournment debate is last week's visit by the International Development Committee to Macedonia and Albania. It was, of course, a very moving visit, on which we saw the full scale of Milosevic's barbarity towards Kosovo. It was also a useful visit, in that a Committee of this House is now in close touch with that immensely important area and will be able to help the House, through first-hand knowledge, in its important deliberations on this matter. I hope that some of my colleagues who were on that visit will be able to catch your eye in this debate, Mr. Deputy Speaker.

We had access to all the major players in the area and I should like to thank them for their co-operation. One issue about which we were concerned—we made this clear on our return to Britain—was the number of refugees to be allowed into this country. I was disturbed that this country, which is risking so much to combat Milosevic's fascism, should be attracting criticism for seeming to do so little to accept refugees. While we were in the region, Britain was certainly not an option available to refugees, whereas other countries were being much more open. I am delighted that, following the Prime Minister's visit, that has been put right. It was uncomfortable to be urging the Macedonians to honour their international obligations when we were not clearly willing to pick up our own.

Mr. Alan Clark (Kensington and Chelsea): On a point of order, Mr. Deputy Speaker. I should be most grateful for your guidance on this matter. The title of the debate on the Order Paper refers only to neighbouring countries, but the hon. Member for Clydebank and Milngavie (Mr. Worthington) has introduced into his dissertation the general subject of refugees and their admission to this country. I am sure that he is right so to do, and it is central to our discussion of the issue, but I should be grateful for your ruling on whether, in this context, Britain counts as a neighbouring country of Kosovo.

Mr. Deputy Speaker (Mr. Michael J. Martin): It is clear to everyone that Britain is certainly not a neighbouring country. However, I would say that the two issues go together and the hon. Member for Clydebank and Milngavie (Mr. Worthington) has been perfectly in order so far.

Mr. Worthington: I thank you for your predictable ruling, Mr. Deputy Speaker.

If my speech appears to dwell more on Macedonia than Albania, it is not because Albania is unimportant. It is facing the greatest challenge in terms of numbers and is the poorest country in the region. Some of the challenges are common to both Albania and Macedonia, but there are some extra dimensions to the Macedonian position and I hope that other hon. Members will speak about Albania more fully than I shall.

It is absolutely clear that Milosevic's war game is to destabilise Macedonia. By far the most important political issue in Macedonia is the relationship between the numerically dominant Slavs and the more rapidly growing Albanian population. There is a visceral fear among the

[Mr. Worthington]

Slavs that they will lose their dominance. After all, the refugee issue is not just one of the past few weeks. When I first went to Macedonia a few years ago, we were praising the Macedonians for their hospitality to Muslims fleeing from the Milosevic-inspired outrages in Bosnia. Now, nearly 200,000 Albanians have been pushed callously out of Kosovo into Macedonia. It is absolutely essential that Macedonia is stabilised if we are to ensure success in the conflict with Milosevic over Kosovo.

Unfortunately, during the Select Committee's visit to Macedonia and Albania, I found that not enough was being done internationally to focus on the issue. It is essential to military success in the Kosovo campaign that humanitarian, economic and political support for Macedonia is augmented. For example, if there is to be a ground approach by NATO troops, the Macedonian entry—which is linked to the Greek port of Thessaloniki—is a key matter. For years, the relationship between Greece and the Former Yugoslav Republic of Macedonia has been fraught—the very name indicates that—and it must be harmonised.

What should be done? Milosevic regards the destabilisation of Macedonia as a major prize, which is why he shoves Kosovars towards Macedonia. While we were there, trainloads were coming in—far more than the overfull camps could cope with. According to UNICEF, there are now nearly 200,000 refugees in Macedonia and, unbelievably, more than 90,000 are staying with Macedonian families while a similar number are in camps. When we were planning our trip the week before, the number was not 200,000, but 130,000 to 140,000. The number has soared in recent days as Milosevic has turned on the taps.

It has been argued that if the refugees were taken out of the region, that would be doing Milosevic's job for him. That argument lacks conviction; it is an arid argument. Such are the numbers that many refugees will remain in Macedonia anyway. It is not a case of either Macedonia or elsewhere; it is both. While I was there last week, an increasing number of refugee-bearing planes were flying out, but they were heavily outnumbered by Milosevic's new victims coming in.

Taking our full share of refugees is not the only reassurance that we can give Macedonia as an aid to winning this conflict. We must immensely strengthen the performance of the United Nations High Commissioner for Refugees in coping with the refugees in Macedonia. Frankly, the day was saved at the start by the British-inspired NATO forces putting up the camps in Macedonia. However, the refugee programme cannot be militarised other than in the short term. The other UN organisations and non-governmental organisations yearn for the UNHCR to be powered up for that huge job which, whatever happens in respect of the military effort, will be needed for at least many months. I saw no sign on the ground that the UNHCR had anywhere near the horsepower that it needed to cope with this huge challenge in the Balkans. Can the Minister give any reassurance on that?

We must also help out the Macedonian economy. At the outset of the crisis, Macedonia had 40 per cent. unemployment. Because of the crisis, it has now lost its export trade in food and textiles, which has to go through Serbia. Unemployment is now much higher. Huge numbers of refugees are now in Macedonian homes with no extra resources to sustain them. It is worth pointing out that, if one uses the index of 100, the Macedonian GDP was 100 in 1989 when Yugoslavia broke up, whereas it is now 60. The country is having to bear the cost of the transport, policing and many other aspects of the refugee crisis, yet it has less income than before the crisis.

Other problems loom—I was told that the biggest threat was that the sanitation system was incapable, in the long term, of coping with the extraordinary pressures put on it by the refugees. Life for the ordinary Macedonian is getting worse because of the huge influx by a feared minority. For how long will the Macedonians blame Milosevic rather than the Albanians? They need help in bearing the cost of that influx.

Recently, the European Union distributed aid to Albania and Montenegro, but Macedonia was left out because its books were not in order. To be told by the EU that one's books are not in order is a sick joke. Get the money out and monitor it scrupulously, but do not make a tragedy into a catastrophe by accountancy. Countries such as Macedonia and Albania need money now. Poor government capacity is an indication of the scale of the problem, not an excuse for inaction. Will the Government ensure that Macedonia, like Albania and Montenegro, will receive immediate budgetary support from the EU?

May I ask the Minister a more general question? Does he believe that the EU can play an active part at present, in the light of the collapse of the Commission? The Commission staff must feel so shell shocked by the revelations of poor behaviour that they are afraid to act decisively. Is there not a case for Heads of Government to agree on extra special measures to shift committed money out of Brussels and to get it working to good effect in the Balkans? I gather that a meeting will take place today in Paris with the World bank, the European Union and others to look at the structural support that will be needed for those countries.

The size of the camps—Kukes in Albania has about 1,000 residents—is putting an unreasonable strain on the infrastructure of these poor countries. It is not that the camps around Tirana are testing its sewerage system to the limit, because Tirana does not have a sewerage system. The health threats in the summer are considerable. We cannot expect NGOs and United Nations organisations to deal with major civil engineering and governmental tasks. NATO stepped in early to rescue the situation in the camps, but development should not be militarised. I should be grateful to hear from the Minister how these structural issues are to be tackled.

These countries cannot be asked to cope with a million refugees by providing new roads, power, water, sewerage and other systems that are not linked into the infrastructure for the whole population. It is inevitable and right that the host population should benefit from the development of the infrastructure that will be necessary for the refugees.

We all hope that the war will be rapidly resolved, and that the refugees will be able to return home. However, we shall not be forgiven if we do not plan for the worst. At the moment, we cannot produce enough tents or sites to house the ever-growing number of refugees. The refugees will not be able to live in tents in the Balkan winter, and we have seen that some of the sites are

already unsuitable. They are in the wrong location, have poor water facilities and inadequate sanitation, and places for latrines are already running out.

Long-term camps require education facilities, better health services, including reproductive health services, and attention for people's psychosocial needs. We are desperately trying to provide primitive accommodation for those expelled from Kosovo, but we may soon have to start again. Hundreds of thousands of refugees may have to be rehoused in winter quarters that do not yet exist, either in fact or even on paper.

Mr. Roger Casale (Wimbledon): Does my hon. Friend welcome the doubling of funds by the British Government to help to meet the costs of the refugee crisis? Does he accept that a further doubling of funds may be necessary very soon? Will he give the House some assessment of the resources that should be made available immediately and in the longer term for the management of the refugee crisis and the eventual rebuilding of Kosovo?

Mr. Worthington: Of course I welcome the doubling of the funds. What I am trying to get across in my speech is the fact that we cannot approach this matter only on the military and the humanitarian front. A major improvement of the infrastructure is required, and that cannot be organised by NGOs. It must be done by major international organisations, such as the World bank and the European Union, but I need convincing that they are geared up for what will happen not in the coming months, but in the coming weeks so that they can provide what is needed for the Balkan winter.

I came back from the Balkans with mixed emotions: anger at the despicable actions of Milosevic; admiration for the courage of the refugees; intense respect for the humanitarian work of UN organisations, such as the World Food Programme; pride in the work being done by the British NGOs; and admiration for the organisational skills of NATO in rescuing the humanitarian situation. I came back utterly determined that we should recognise and respond to all the dimensions of this problem, and not merely restrict ourselves to the humanitarian and military aspects. Much more is needed.

11.14 am

Dr. Jenny Tonge (Richmond Park): I was not on the Select Committee visit to the Balkans at the beginning of last week, because I had already accepted an invitation to visit Tirana in Albania, sponsored by the European Children's Trust. After consultation with the Chairman of the Select Committee, I felt that that would add an extra dimension and provide a different view of what is going on out there, so I went on my own to Tirana.

In passing, I should like to mention the European Children's Trust, which gave me the only good news of my visit. It has been working in Romania since the problems there began, and it is now closing orphanages because it has found good foster homes for the children. Many of their natural parents who abandoned them have come back to claim them. I wanted to begin on a bright note to show that there is a little light at the end of some of these tunnels.

Tirana was away from the front line, which was interesting because the refugees there had had an opportunity to reflect on their future and had recovered a little from the initial shock, although they were still pretty dazed. The city council in Tirana was assessing what was needed for its own people and for the refugees. In 1997, the population of Tirana was 250,000, and it had the infrastructure—social services, education and health services—that more or less catered for that number. By 1999, the population had almost doubled to 450,000, and in the past month, 43,000 refugees have come into Tirana city—25 per cent. of the population have come to Tirana in a few weeks. Of those refugees, 33 per cent. are in host families—they are staying with anyone who will have them.

Host families in Albania have an average income of £15 a month, and some of them are catering for two or three families. I visited the Sipri family, who are a family of three. They are unemployed, because there is very little work in Tirana. They live in a tiny, two-roomed flat, and because of their son's long-standing link with a family of six, including two children, they welcomed them into their tiny flat and were feeding and coping with them on £15 a month.

I also visited what was described to me as a model refugee camp. It was a small camp on the site of the old Tirana municipal swimming pool, which no longer had any water in it. It was built for 2,000 by UNHCR, but it already had 3,000 refugees in it and others were moving in every day. When I visited, the mud was drying up and the sun was coming out, so it was looking a little better, but there were 20 latrines for more than 3,000 people which, as the hon. Member for Clydebank and Milngavie (Mr. Worthington) reminded us, could cause infections and other problems in the summer months. It was desperately overcrowded, and there were no cooking facilities and no hot water. I think that the Select Committee saw a better refugee camp in Rwanda when we visited that country last year. The camp I saw in Tirana was appalling, yet it was described as a model camp.

The men in the camp were unanimous: they wanted to have guns and to join the Kosovo Liberation Army so that they could get back to Kosovo to fight for freedom. On the whole, the women wanted to stay in Albania, because they had small children. They were also worried about their families, and they wanted to stay put until they knew what had happened to them.

I visited a women's hospital with its director, Dr. Kallajxhi. It was one of the worst places I have ever seen; Florence Nightingale would have been ashamed. It is the main women's hospital for Tirana, the capital city of Albania. It was dirty, there were building works all over the place—even above and below the wards where women were giving birth—and very few painkillers were available, so the women who had suffered so much coming out of Kosovo were not getting any relief in childbirth. Most of the equipment was 20 years old.

The hospital was catering for the people of Tirana as well as for the refugees, which made it difficult because it did not have the staff. Many of the women were having abortions: many were having to have extensive gynaecological repairs and some were having hysterectomies because of the damage they had suffered after having been raped by Serbian soldiers. It was a distressing visit, and quite honestly the conditions in that hospital beggared belief.

At the end of my visit, I met Mr. Orhan Sakiqi, who is the head of the Tirana municipal council, and together we came to some conclusions. I appreciate that this is a small

[Dr. Jenny Tonge]

area of the whole problem, but I felt that it would be useful to list the things that we believed were needed, especially in the medium and long term.

According to all those to whom I spoke, registration is a problem. As has been said, the UNHCR is not considered to be performing terribly well in Albania. Most of the refugees whom I met in Tirana had no papers, because they were not being processed—as we were told that they were—as the refugees crossed the border. The refugees were stuck with host families, with no identity and no papers. Some would like to come to the United Kingdom, but not many, because few of their friends and families are here owing to the United Kingdom's asylum and immigration policies over the past 10 years. That is one of the reasons why a number of them want to go to Germany. That is our fault, and we should be doing something about it.

The Sipri family, whom I visited, would like to go to Germany, where they have relatives, but they cannot do so because they have no papers. No one seemed to know how to remedy the problem, even the people in the municipality.

Mr. Tam Dalyell (Linlithgow): There is no substitute for direct evidence. Let me ask a question, without any overtones. The hon. Lady spoke of rapes committed by Serbian soldiers. There seems to be considerable dispute about that, and I do not know the truth. Doubtless some rapes have taken place, but did the hon. Lady have direct evidence of rape committed by Serbian soldiers on a significant scale?

Dr. Tonge: I appreciate that it is a difficult question. Before I came to the House, I worked in gynaecology and family planning, and I know that it is sometimes difficult to assess the truth of what people say. Because I was in the area for only a short time, I heard the story directly from only a few people, but the evidence is that the same story is being told all over the place by all sorts of women who have had no contact with each other. A fortnight ago, some of us met two professionals, a paediatrician and a journalist, who had come from Kosovo. They had a good deal of evidence. There is certainly medical evidence in the hospital to which I referred that women have been brutalised, raped and then mutilated, and it was alleged that the Serbs had done it. That is all that I can say in answer to the hon. Gentleman.

Let me return to the problem of identity. The Government must put pressure on the UNHCR to get its act together and ensure that those people are registered.

Mr. David Heath (Somerton and Frome): What my hon. Friend has said about the camps in Albania coincides with my experience in Macedonia. Record keeping and being able to trace refugees and record their stories are indeed problems, but, now that the necessary information technology is available, could that not be done largely out of country? Should not western countries be employing people to maintain databases, and relieve some of the pressure on the Albanians, the Macedonians and the relief agencies?

Dr. Tonge: The thought crossed my mind as well. I cannot see why the details of people's past lives, homes and businesses cannot be recorded in England or Germany as easily as in Tirana or somewhere in Macedonia. I agree with my hon. Friend: surely computer technology could help. This is one of the most urgent problems for the refugees, who do not know where to turn, and are forced to remain non-people. They do not exist, and it is not possible to help people who do not exist.

As I have said, I was appalled by the state of the refugee camps. I am sure that our Government are putting pressure on the UNHCR to improve them, but I was interested by the Albanians' suggestion that smaller camps should be built to reflect the village communities that existed in Kosovo, and to keep people together so that they could give each other support.

One of my main worries is the lack of help for the tens of thousands of host families in Albania who are trying to manage on meagre incomes and looking after all the refugees. I do not know how long their patience will last. The European Children's Trust has developed a scheme whereby families' needs are assessed and a recommendation is made; they are then given direct financial help to buy food which is available in Albania, and any other supplies that they need. I urge our Government in particular to consider schemes that would enable us to help host families directly to support the refugees.

As for education, health and social services, there is a network—in other countries that we visited, there is no such network—but it is entirely inadequate. There are thousands of refugee doctors, nurses and teachers who can work and want to help their own people; but there is the matter of paying them a little to do so. Pressure should be put on all the authorities to mobilise the professionals in the refugee group to help with social services in Albania.

There is also an urgent need for medical equipment and medicines. I hope that our constituencies, including mine, will want to do something identifiable, rather than just giving money to an anonymous appeal. They could, for instance, focus on a hospital that badly needs updating, and some decent equipment and medicines. Europe, and our Government, could help with that as well.

Mr. Casale: The hon. Lady has told us about the present arrangements for the accommodation of refugees in Albanian host families and elsewhere. Given the state of the camps and the difficulties experienced by the host families, is there any prospect of accommodation being arranged there for refugees in the medium and longer term, or is the UNHCR right in saying that such accommodation can only be temporary and provisional, and that it will soon be necessary to move many of the refugees to other countries in western Europe?

Dr. Tonge: There are two aspects to the question. Some refugees, having reflected, are beginning to think that they would be better off in another country; but it was emphasised to me—although I spoke to only a small sample—that they wanted that to be on a temporary basis, especially the women and children.

As I said, the Albanians have suggested the establishment of medium to long-term villages, providing slightly better accommodation than tents—perhaps prefabricated buildings such as those that we had just after the war—so that people could live in village communities.

They would then be able to stay in the area among people they knew, and to return to Kosovo that much more quickly.

The hon. Member for Clydebank and Milngavie said that the Albanians, and indeed the Macedonians, would not tolerate the influx of people even poorer than themselves indefinitely. They are responding magnificently now, but that may not last for ever, and there could be civil unrest. One of the most moving things said to me during my short visit was said by Mr. Sakiqi, the leader of Tirana council. He said, "Whatever Europe does, the Kosovars are our brothers, and we welcome them." The Albanian people have set us an example with their generosity and kindness, but we must realise that there is a huge financial implication for the future, and we must know where the money will come from. I trust that the Government will not make the Department for International Development contingency reserve meet the cost in the medium and long term. The money must come from the Treasury reserves; it cannot come out of the development budget. One thing is certain: we need to plan for the long term, and we need to plan quickly.

11.29 am

Ann Clwyd (Cynon Valley): I am sure that all hon. Members wish that the war had never been necessary. For a long time, we tried to negotiate with Milosevic and the Yugoslav Government in an attempt to reach some accommodation that would ensure that the ethnic cleansing that we are witnessing would not continue, but it was anticipated as far back as July 1995 that there would be refugees. One of the interesting things that we learned during our latest visit was that a disaster contingency plan had been drawn up as far back as July 1995 for 300,000 refugees from Kosovo to Albania and Macedonia. Hon. Members may well ask what happened to that plan.

The plan was jointly organised by the World Food Programme and the UNHCR. The programme has done its job in relation to the plan because there is no shortage of food and it is preparing to feed many thousands of refugees for months ahead, not only if they remain in Albania and Macedonia, but if, by some good chance, the war ends and they are able to return to their country.

Even if the war were to finish tomorrow, the refugees would have to be fed in Kosovo for about 16 months after their return because they have missed the planting season. Before they are able to plant again, obviously, they will need to be fed by the World Food Programme.

I wonder what happened to the plan. The meetings between the World Food Programme, the UNHCR and various other agencies were supposed to continue every three months. One of the things that are obvious to us after visiting the region twice in the past two weeks is that The UNHCR, for various reasons, has been caught short.

As some of my hon. Friends have mentioned, there is a shortage of tents in Albania. When we were there last week, 9,000 people were out in the open without cover. The UNHCR told us that there was a shortage of tents. There are other shortages. Refugees in both Macedonia and Albania are in overcrowded conditions. In Macedonia, the population in the camps is three times the density that the UNHCR considers acceptable.

Last week, I went to some of the camps for the second time in 10 days. What is clear is that, with the present numbers that are flooding across the border, it is impossible for the existing camps to contain such numbers of people. Aid workers were saying to me that they wanted us to know that refugees had been threatening hunger strikes, or to burn some of the tents down unless things improved in the camps.

As the NATO commander made clear to us, there is a small window of opportunity. Only a few months are left to get people out of the camps before the winter comes. Unless they get out, when the winter comes, they will freeze to death. At the end of August, there will be the short-term problem of making arrangements for the winter.

On my first visit to the camps, people told me that their choice of country would have been the United Kingdom if that choice had been available to them, but that they had chosen other countries. In one case, a university professor and his family of three had been forced out of their home. He was forced out of his job at a museum by the Serbs, who brought a letter to him one day and said that he had no job. He went back to his home village and lived in a house with his family. One day, the paramilitaries came and burnt it down.

The professor then hid in a basement for two months. The paramilitaries came down that street as well and he had to flee. He and his family spent three nights on the road and in a forest, and many other nights in the open on the border. He said that he had been separated from his 90-year-old mother.

As hon. Members know, it is a story that many other people in the camps can tell: a story of separations and losses. They do not know where their children or elderly parents are. In some cases, their husbands were kept behind; they believe that they are now dead. All those refugees have stories of tragedy.

The refugees go to the camps and are asked which third country they would be ready to go to. That professor told me that he had been given a form and had put down Norway as his first choice because, as he said, although not in an accusatory way, the refugees understood that Britain did not want them. I met a man who was in another camp with his family, who put down Germany as his first choice. He was told that Britain was not an option. I asked the UNHCR people on the spot, who said that they had put down countries as options only if those countries had specified a quota.

Going there the second time, I picked up a form in one of the UNHCR tents where refugees were filling in their details. Of course, the vast majority have no papers at all: no passports, no identity cards—nothing to prove their identity. They were filling in forms for UNHCR.

I turned over one form. Again, it had the same list of countries on the back, and someone had written in biro—I presume that it must have been a refugee—"England." I have said many times how ashamed I was that the refugees thought that the United Kingdom did not want them, so I am delighted that the Prime Minister has stated that we are ready to take several thousand refugees, without specifying a quota. That is good news. I am pleased that he saw for himself the needs of those refugees and how impossible it is for countries such as Macedonia, which has 2.2 million people, to absorb such numbers.

Sixty per cent. of refugees are already in private homes in Macedonia. Again, the hospitality of the people who have taken refugees into their homes, in both Macedonia and Albania, has to be commended. However, it puts

[Ann Clwyd]

enormous strains on families. Twenty-seven refugees were living in one home with two bedrooms. Obviously, that cannot go on because it strains the host family. They do not have the money to support those people. Some of my hon. Friends have talked about the low incomes in both Macedonia and Albania. We are now saying that we will be generous to the refugees who want to come to Britain. I am pleased about that.

In Albania, I was told by our embassy that we were giving no visas. Indeed, people who approach the embassy for visas are told to go to Istanbul. I hope that that is something that my hon. Friend the Minister will look into. It seems utter nonsense that we are sending people to Istanbul to apply for visas.

Last week, people were telephoning me from Manchester, including the wife of a man from Kosovo who has lived in this country for more than 10 years. He went to Albania to get his elderly parents who, two months ago, had come across from Kosovo. He was told that he could not get a visa to bring them back to Britain. Again, such incidents have to be investigated.

The strain on the Macedonian Government cannot be over-emphasised. As I have said, it is a small country of 2.[illegible]illion people. It is very poor, with 40 per cent. unemployment. It is having to pay for the transport of refugees to the camps and for the policing of those camps. The Deputy Foreign Minister, who spoke to us, mentioned the extra man hours for policing and the hospital treatment for refugees that Macedonia had to pay for. As my hon. Friend the Member for Clydebank and Milngavie (Mr. Worthington) said, it is no longer able to export many of its goods to other countries.

In Macedonia, 87 contracts with EU countries have been cancelled. The Minister told us that he was afraid for the political stability of his country. It is right that we give countries such as Macedonia, Montenegro and Albania as much economic aid as possible. They must be assisted in dealing with the vast numbers of refugees who are flooding into their countries.

The UNHCR has a problem, although I do not know quite what it is; it may be understaffing. I have the greatest respect for UN agencies, as do my hon. Friends, but the UNHCR's role in this and what happened to the disaster preparedness plan must be investigated in the future.

I have been to many refugee camps and I have seen much worse; I can be realistic about the situation in which the Kosovars now find themselves. Many of the Kurds who fled across the mountains from Iraq into Iran 10 years ago are still in refugee camps in Iran. It is unlikely that Kosovars will return home in vast numbers before Kosovo is rebuilt.

Obviously, I hope that the war will soon be over, although I still consider that ground troops are essential. I said so on 14 January in the House and I have not changed my mind. I am sure that were the Prime Minister to obtain the backing of other EU countries, he would be ready to use those ground troops. The Americans' attitude is amazingly ambivalent. This is not the first time that they have been enthusiastic for a particular war, only to back off. Our Prime Minister is resolute. He completely opposes the hideous ethnic cleansing in which Milosevic is engaged.

I agree with the Government line that Milosevic must be defeated, that Kosovo must be a safe place to which the Kosovars can return, and that we must give Kosovo, and possibly Serbia when the war is over, as much economic aid as possible. In the meantime, we must persist in defeating what we all know, at the end of the 20th century, is no longer acceptable in Europe.

11.43 am

Mr. Alan Clark (Kensington and Chelsea): The hon. Member for Clydebank and Milngavie (Mr. Worthington) refers, in the long title of his debate, to "Humanitarian and economic effects". I subsume those broadly into the social consequences of a huge tide of refugees. I understood you to rule, Mr. Deputy Speaker, that it would be within order to discuss the impact that that may have on the United Kingdom.

Hon. Members may recall a rather peculiar incident that took place on the quayside at Calais some three months ago involving an exchange of fire between people whom the French police later identified as Kosovars, as a result of which some British tourists were injured. That gave rise to various questions, such as how they got there, what were they doing and how they had managed to come as far as the English channel carrying firearms.

Further inquiries disclosed that it was quite normal for British tourists returning home and lorry drivers with British registered vehicles to be intimidated, sometimes at gunpoint, by Kosovar refugees who want to enter the United Kingdom in their vehicles. That was before any announcement had been made on the acceptance of refugees.

That brings me to a subject to which the House must continue to direct its attention. I see from today's papers that MI6 and the other intelligence services are also involved. The hon. Member for Linlithgow (Mr. Dalyell) has already reminded the House of certain findings of the German police authorities and Interpol regarding the high level of criminal infiltration in the KLA by Balkan criminal elements mainly concerned with drugs, immigration rackets and prostitution.

We know that a high criminal infiltration in any body results in a breakdown into gang warfare. The events on the quayside at Calais had every appearance of gang or factional warfare. For that reason, I hope that the Under-Secretary of State for International Development, for whom I have huge respect, will not take it personally when I say that I wish that a Home Office Minister was present beside him who could pay some regard to my points. In the fullness of time, the criminality that pervades the KLA will be a matter of prime importance for consideration by the Government and the House of Commons.

Mr. Dalyell: It might be unreasonable to ask the Minister to comment in any kind of detail, but some of us do ask the Government for a statement on Tim Butcher's report in *The Daily Telegraph* today on MI6, and on the recurring reports that there is an investigation by Interpol and the Bundeskriminalamt Verfassungschutz. At least we should have the assurance that the Government take the matter seriously.

Mr. Clark: I hope that the Minister will infer from what I have said that that would be welcome.

The Parliamentary Under-Secretary of State for International Development (Mr. George Foulkes): All I want to say at this stage is that Ministers in my Department are in close touch with Home Office Ministers about all the issues, and Home Office Ministers will take account of all that is said in this debate relating to their responsibilities.

Mr. Clark: I am grateful to the Minister for responding at this stage.

I listened with great concern to the first-hand accounts of visiting the camps by the hon. Members for Clydebank and Milngavie (Mr. Worthington), for Richmond Park (Dr. Tonge), and for Cynon Valley (Ann Clwyd). The hon. Members for Richmond Park and for Cynon Valley spoke movingly and I would in no way impugn their testimony to the House. However, did not the hon. Member for Clydebank and Milngavie have any intimation of the degree of intimidation and gang dominance within the camps?

The hon. Member for Cynon Valley said that she had heard from the Macedonian authorities that there was a threat of a hunger strike or of burning down the tents. Who is organising that threat? Why should perfectly ordinary decent people in a high level of distress consider starving themselves and their children and burning down the accommodation that has been provided by the great generosity of the west? I suggest that it is because they have been threatened and told that that is what they must do if they want to get into line and stay safe.

My evidence is anecdotal. I have not visited the camps myself. One of my sons is a soldier and, as the House knows, there is general gossip and an exchange of information among the services. He has given me anecdotal evidence of drug trafficking, violence and intimidation, and, in particular, the trawling of camps and the removal of likely candidates for prostitution rackets. Such things are habitual and recognised. I see the hon. Member for Clydebank and Milngavie shifting in his seat. I hope that he will feel able to comment briefly on that.

Mr. Worthington: The camps are ripe for the kind of activity to which the right hon. Gentleman refers if we do not get the situation there right. If we simply allow things to go on as they are, they will become recruiting grounds for the KLA. Something similar happened in Rwanda and elsewhere. That is why I was emphasising the much more important point—rather than the issue that the right hon. Gentleman is stressing—that the vast majority of people in the camps are destitute and that appalling things have been done to them. We should concentrate on that point.

Mr. Clark: I am most grateful to the hon. Gentleman for that intervention, and should not for a moment dispute the tenor of his comments. However, I feel that the House should be aware of the very high level and very wide diffusion of criminality within the camps and within the itinerant refugee bodies themselves.

When the hon. Member for Clydebank and Milngavie says that we have to "get it right", I assume that he means that provision of direct aid to those bodies is not of itself sufficient, but that there will have to be a level of policing. There is no doubt that the flow, when it comes, of those people into equable and democratic western societies will cause enormous trouble, as it contains within it many people who are simply taking advantage of the situation to operate drug trafficking.

There has always been a very close link between the Albanian mafia, the Calabrian mafia in southern Italy, and drugs are the most portable and easily traded form of wealth. The moment that people get into that type of racketeering, violence, murder and intimidation follow. We have to be extremely careful to guard against such developments.

Magistrates in my constituency are already going out of their way to tell me of their experience in the London courts with Albanians affecting to claim refugee status. Those Albanians are being indoctrinated and told what to say by one or two groups of solicitors in the capital, who are clearly retained by criminal elements that are a part of the overall structure. They know how to ask for interpreters, to claim that they are below the appropriate age and to assert totally unjustified charges of racism, although they have been apprehended for genuinely criminal acts.

The House should be aware that the current situation is as good an opportunity as any for those groups. If we are not careful in our generous impulses—which are always one of the Chamber's most valuable responses to particularly objectionable crises; and first-hand testimony of which we have heard from hon. Members today—we shall be making ourselves vulnerable to a very great criminal influx.

I am glad that the Minister has said that the matter will be properly reported and that proper liaison on it will be made with the Home Office. It is an aspect of the whole tragic affair that—because it is so widely diffused, and the element of violence is so overt—our Government should be considering very seriously as they approach it.

11.53 am

Ms Tess Kingham (Gloucester): This is one of those rare occasions when I decide—halfway through a debate, after hearing hon. Members' speeches—to make a completely different speech from the one that I had planned on making. I should like very briefly to address the issue of psychosocial support, mental health and psychological support for refugees in camps and in host families in Macedonia and Albania. The issue may not seem relevant to the debate, but it is, and I hope that you will be patient with me, Mr. Deputy Speaker, and allow me to develop the argument.

Early in the NATO military campaign, I asked in the House whether psychosocial support would be provided very early for refugees, to ensure stability in the camps and in the surrounding areas, and when the refugees have returned to their homes in Kosovo. After visiting the camps and surrounding areas in Macedonia and Albania, and after speaking to the United Nations High Commissioner for Refugees, the Red Cross, the World Health Organisation and refugees themselves, I am more convinced than ever that we have to co-ordinate psychosocial support and ensure that refugees receive at a very early stage the mental health support and counselling that they need.

The refugees have witnessed, or been victims of, a series of acts of terror. They have seen massacres. When we were at the Blace border crossing, we spoke to people who had seen piles of dead bodies by the roadside in villages around Lipjan. They have also witnessed beatings and threats. We spoke to refugees who said that the Serbs had daily entered their homes, holding guns to their

[Ms Tess Kingham]

children's heads and saying, "Shall I shoot them today, mother? No—not today, but maybe tomorrow." After a few days of that type of intimidation, they left their homes.

The refugees have experienced rape. I was quite shocked to hear some of the comments on rape and intimidation made earlier in the debate. It is well known that women, particularly from the Muslim community and in a culture in which rape is deeply shaming, will not just come out and tell all and sundry that they have been raped. Rape is therefore very difficult to verify in such societies. Sometimes, the truth comes out only after months or years.

We spoke also to refugees whose homes were burnt, who saw their animals being killed, and who had been separated from their families. One of the most moving moments was seeing the long list of lost children, aged two to 18, posted outside the International Committee of the Red Cross building.

The refugees are in a state of shock and suffering from acute anxiety. Those are symptoms of the first stage of being terrorised, and become apparent particularly when one speaks to the old men in the camps or in host families—halfway through a logical conversation, tears start streaming down their faces. That happened with almost everyone with whom I spoke in the camps. At some point in the conversation, they cried uncontrollably. It was not sobbing, but uncontrollable tears.

We have been told by the Medical Foundation for the Care of Victims of Torture that the refugees are suffering acute anxiety, and that they need psychosocial help and mental health counselling and support. They need that help now, and they need it to be delivered in an organised and co-ordinated manner. The refugees will continue to suffer anxiety, panic attacks and flashbacks, and possibly ill health.

We have already heard about the camps destabilising economic and social effects in Macedonia. The camps that we visited were surrounded by fences. The Macedonian authorities tried to keep the camps as far away as possible from the rest of the population. People are not allowed at will out of the camps, which are quite tense places. Because of the volatility of the situation in Macedonia and the effects of the refugee influx on the local population, the Macedonian Government move most refugee convoys and equipment at night.

If mental health support is not provided to refugees now, there will be many and various severe consequences. Organisations such as the Red Cross, the World Health Organisation and the Medical Foundation for the Care of Victims of Torture have stated that the consequences of not providing help now will be manifested in several ways, such as in violent outbursts. The right hon. Member for Kensington and Chelsea (Mr. Clark) was perhaps right to say that there are violent outbursts in the camps; but many of those may be caused by pent-up trauma and lack of psychological support.

Dr. Tonge: I appreciate the hon. Lady's comments, and certainly it would be valuable for people to receive such support and counselling. However, does she not think that, in times like these, the closeness of people's own families and communities is of overriding importance and would provide far more support to them? The Albanian Government's suggestion of trying to gather people in camps into their natural communities, reflecting the old villages of Kosovo, is therefore a very good one.

Ms Kingham: I agree partly with the hon. Lady's comments. However, organisations that have worked with victims of oppression, torture and rape and with those who have witnessed tragic events have made it clear that close family members are not always those who are able to provide the necessary support to victims—who need long-term counselling by external counsellors and advisers—and that families break down if the right support is not available. Families cannot always provide their members with the support they need.

If victims cannot speak to an external counsellor and gain that support, the possible eventual consequences are tension within the family, domestic violence and outbreaks of—sometimes physical—abuse of children, all of which lead not only to dysfunctional families but to dysfunctional communities and communities in crisis.

Mr. Neil Gerrard (Walthamstow): My hon. Friend is developing an important and interesting argument. She is obviously aware of the work of the Medical Foundation, which agrees that someone other than a family member is often needed. A Muslim woman who has been raped might find it very difficult to talk to someone whom she knows. Being in a camp surrounded by armed guards is similar to detention. My hon. Friend may be aware of the work of Dr Christina Pourgourides on the mental health effects of detention on asylum seekers in this country, who are held in much better conditions than those in the camps in Macedonia.

Ms Kingham: I agree with everything that my hon. Friend has said. I have spoken to several organisations in the camps, including the UNHCR and the Red Cross. The World Health Organisation is considering providing services for psychological support. However, there is a clear lack of co-ordination. In Bosnia, support was not provided in the early stages of humanitarian assistance and it was not followed through. Dozens of small non-governmental organisations turned up in Bosnia to give quick-fix counselling and psychological support and then pulled out. Unfortunately, that sometimes did more harm than good. The effort was not sustained and people did not get the support that they needed.

The Medical Foundation and others have pointed out to me that, after six months, refugees go to the intermediate phase of mental crisis, when self-denial is no longer possible and the true force of the effects of the terror that they have experienced will come out. It is crucial that they have long-term support at that time. They will also need support when they return to their homes in Kosovo. It will be no utopia. Their homes will be devastated and their villages will be burned. They will face yet another phase of crisis.

Support for the refugees is necessary immediately, after six months and on their return home. There must be an integrated programme in the humanitarian assistance effort to ensure that they are given support from the beginning until they return home. I do not feel reassured that such help is being provided. The consequences of that could be grim. There could be outbreaks of violence in

the camps, families may break down, communities will not be functional and, when people return home, they will not be able to rebuild their lives in the way that they need.

I urge the Government to ask the UNHCR to ensure that a programme of care for the refugees is bolted into the planning for the coming months. It is not an optional extra. There is no point in feeding people and giving them shelter and medical care if we end up with appalling scenes such as the horrible picture that I am sure that we all remember emblazoned over the front of the newspapers during the Bosnia crisis featuring a 19-year-old girl who had been raped and had hanged herself from a tree because she could no longer live with the trauma and felt that she had nobody to turn to.

12.3 pm

Mr. Tam Dalyell (Linlithgow): May I ask a question of which I have given the Department notice? It concerns the nuclear power station at Kosledoj in Bulgaria, which, before the crisis, was perhaps the most worrying of the eastern bloc nuclear power stations. There is a real problem of oil pollution in the Danube, which could foul up the coolant system. If the coolant system were injured in any way, there could be a catastrophe along Chernobyl lines. I am not saying that that would happen, but it is possible. I have contacted Scottish Nuclear and British Energy about the issue and told the Department about my worries. There is a similar problem with the Romanian Cernavoda No. 1 power station.

The environmental consequences of bombing know no borders. Large quantities of chlorine and other noxious gases have been released into the air after the bombing of the refinery and petrochemical plant at Pancevo. I understand that the rain that has fallen in the past few days on Pancevo, Novi Sad and Belgrade, as well as over the Hungarian border, is grey-black. That has been detected by ordinary people striving to save water and by meteorologists and other experts. That water will seep into the soil and poison the crops. The Danube and the Sava are so polluted that people are forbidden to eat fish from them. The destroyed chemical plants and the oil storage drums have leaked into the rivers. Fertiliser and chemical plants have been spawning black fumes.

I make a plea to the Government to reconsider yet again whether the strategy of bombing helps this awful situation. Sometimes, doing the right thing may involve loss of face, but history will judge us kindly for choosing such an option. There is still scope for diplomatic activity to negotiate a settlement under the auspices of the United Nations to protect the people of Kosovo and elsewhere. We have to stop our policy of capitulation or else.

After the conflict with NATO is over, Yugoslavia and the area around it will depend on imported oil and will be unable to rebuild its industrial sector, let alone bridges, without huge amounts of aid from the countries that are now bombing it. Can we not reconsider the policy of bombing?

12.6 pm

Mr. Gary Streeter (South-West Devon): The House is indebted to the hon. Member for Clydebank and Milngavie (Mr. Worthington) for initiating this important debate and to the members of the Select Committee, who have brought back their testimony of what they have seen in the past few days of this dreadful crisis. The House would also be wise to listen carefully to the words of warning from my right hon. Friend the Member for Kensington and Chelsea (Mr. Clark). Hon. Members are entitled to speak about different aspects of the issue in this Chamber.

I am sure that many hon. Members feel, as I do, that it is almost too painful to open a newspaper, turn on the television or listen to the radio, only to hear yet more distressing tales of what is going on in Kosovo. The suffering of the Kosovar Albanians is distressing for us all. Perhaps it is not easy to focus on anything more than supporting the refugees through the crisis and bringing the conflict to a successful conclusion so that peace and security can be established in the region once again and people can go back to their homes and begin to rebuild their lives, which is what they want.

However, we would fail the people of the region if, in addition to soft hearts, we did not also bring clear minds to the debate. The hon. Member for Clydebank and Milngavie is right to cause us to look at the wider implications for neighbouring states and the longer-term implications for the region. The decisions that we make in the west continue to have a significant effect on the people of the region.

I intend to be brief, because I want the Minister to have as long as possible to answer as many points as he can. However, it is worth repeating what we all believe: that the responsibility for the situation lies with President Milosevic and a tiny minority of Serb enforcers. He is a brutal dictator who has no part to play in the Europe of the 21st century. I have a friend living in Belgrade who still e-mails me about once a week. He is an intelligent and reasonable man, but he cannot understand what NATO is doing and does not believe that ethnic cleansing is taking place in Kosovo. That shows the scale of the challenge that the Serbian people will face when all this is over to come to terms with the reality of what has happened in their country.

We will always support our troops in action overseas. We pay tribute again to their courage and dedication. However, I must take this opportunity to make it clear again that when the armed conflict finally comes to an end, we shall require some answers to the many searching questions that we have asked about how we found ourselves in this position. The hon. Member for Cynon Valley (Ann Clwyd) made a similar point. It is in the interests of the region that lessons should be learned from the situation. It will be necessary to revisit the failure of the diplomatic efforts of the past two years. We shall have to examine the consequences of so many threats but so little action in 1998. We must examine carefully the lack of preparedness of the relevant agencies in terms of coping with an exodus of refugees that was breathtaking, but inevitable once air strikes started. We will be right to probe the initial lack of co-ordination between NATO, the EU and the UN.

I feel strongly—perhaps the Minister will not agree—that we should consider whether some of the intergalactic rhetoric of some Government Ministers in the past few weeks has helped or hindered the cause. Many lessons must be learned from the conflict, and it is our job, as Her Majesty's loyal Opposition, to try to make sure that that happens. Having started down the road, there is no alternative but to press on to a successful conclusion for the people of Kosovo, NATO and the region as a whole.

[Mr. Gary Streeter]

There are implications for neighbouring states. Albania and Macedonia are poor and have internal problems of their own, and they have been all but overwhelmed by the influx of refugees. The testimony that we have heard today makes that point eloquently. The strains on their social structures and economies are significant.

There has been a severe impact on the economies of other neighbouring states such as Bulgaria, Croatia and Romania as a result of the loss of transport routes through Serbia for exports and the lack of investor confidence in the region generally. I was in Kosovo in December and in Bosnia earlier in the year. The region is staggeringly beautiful, but it is not hard to see that tourism this year is unlikely to be substantial. Milosevic has many victims, not all of whom live in Kosovo.

Our response must be in the short, medium and long term. However, our commitment to the region must be absolute. This is Europe; we have a strategic national interest in long-term European stability. I believe that we have a moral responsibility also to see the matter through.

In the short term, we must pay the costs of supporting the refugees in the region. We must be both compassionate and efficient. The magnificent record- breaking response of the great British public—in giving over £30 million to the Disasters Emergency Committee appeal—demonstrates how the crisis has been taken to the hearts of the people of this country.

I welcome the increase in our aid from £20 million to £40 million, announced by the Prime Minister on Monday. It would be helpful if the Minister could specify where that money is coming from. Which part of the Government's coffers will it be taken from? What specific use will be made of the money? What are the implications for the balance of the Department's budget? I agree with the hon. Member for Richmond Park (Dr. Tonge) that the money should come out of Treasury contingencies, rather than those of the Department for International Development.

I welcome the decision by the EU to make £168 million available to aid agencies and to the Governments of Macedonia, of Montenegro and of Albania. It is vital that we support those Governments at this time. However, I am concerned at the reports, to which the hon. Member for Clydebank and Milngavie alluded, that the money is still not getting through on the ground. I did not understand the reference to the books of Macedonia not being in order, and I hope that the Minister will clarify that matter. What must be done to get the money through? How much longer will the Macedonian Government be kept waiting for this vital aid? Will the Minister keep an eye on the Brussels money to ensure that it is not bogged down by long-term Brussels red tape, as so often has happened in the past?

The Home Secretary announced yesterday that this country will take 1,000 refugees per week. Before that, the Government's clear policy had been to provide for the refugees on the ground. Can the Minister explain the change of policy? Does he agree that such an important policy change should have been made by a statement to the House of Commons? Can he confirm that there will be such a statement by the Home Secretary this afternoon, so that we can question him on the matter? It will be difficult to decide on the proper response to the announcement until we know the detailed facts and figures.

It remains our preference to care for people in the region, so that they can go back to their homes as soon as possible, as that is what they want. We look forward to a statement in the House this afternoon so that we can make a proper assessment of the decision.

In the medium term, it is vital that aid for the region is co-ordinated. People are talking about a Marshall plan, and we would support a significant reconstruction plan for the region. It is in the long-term interests of all of us that European stability is achieved. Obviously, the EU has a vital role, and perhaps the Minister can say a little about its plans.

In the long term—with the goal being the stability of the region—I feel strongly that the EU has an historic opportunity to underpin long-term stability by proceeding with enlargement at a realistic and reasonable pace. Enlargement can bring to the region the benefits of stable democracies, market-based economies, strong, civil societies and respect for the rule of law and human rights; perhaps for the first time in history. Will the Minister confirm the Government's commitment to that process?

Perhaps some lateral thinking is required by the EU to create some special status for some of those countries that clearly are not ready—or anything like ready—for accession to the EU. That would help those countries through the next few years as they prepare for accession. Does he agree that a wider Europe, rather than a deeper Europe, will bring peace, stability and ultimately prosperity to that needy region?

12.16 pm

The Parliamentary Under-Secretary of State for International Development (Mr. George Foulkes): I am deeply indebted to my hon. Friend the Member for Clydebank and Milngavie (Mr. Worthington) for initiating this debate, which the Government welcome. In the time that the House has generously provided for me, I will try to provide answers to all the questions. If I am unable to do so, I undertake that either I or one of my colleagues from another Department will write to the hon. Members concerned. That will include the point raised by my hon. Friend the Member for Linlithgow (Mr. Dalyell) in relation to nuclear power plants. I should have liked to answer that question but, in the time available, I was unable to do so. I can assure my hon. Friend that someone will write to him.

As the hon. Member for South-West Devon (Mr. Streeter) rightly said, we are facing the most acute crisis in Europe since 1945. More than 1 million people have been evicted from their homes. Thousands have been killed, and hundreds of women raped. I am surprised that anyone has questioned those figures, and I am grateful to my hon. Friend the Member for Gloucester (Ms Kingham) and to the hon. Member for Richmond Park (Dr. Tonge) for confirming them. Thousands of people have been separated from their families.

I say to my hon. Friend the Member for Linlithgow that, for more than a year, we tried to find a diplomatic solution. We called on Milosevic to stop attacking and persecuting his own people. He refused. At the end of the day, we had a duty to act to help those people who were being persecuted, killed and maimed. We have acted on

that duty, and none of us in the Government apologises for that. The scale of the resulting crisis is clear, but let there be no doubt in the House; Milosevic is responsible for the crisis and the suffering.

I can tell my hon. Friend the Member for Clydebank and Milngavie that this is a timely debate. As he and others have said, a donors' conference is taking place today in Paris, considering specifically the needs of Macedonia. I expect that there will be a similar conference on Albania soon.

The UK has an important role in the conference, as well as in the medium and long-term support for the region. However, that is along with other donors. We must not forget that, as well as the bilateral donors, the EU and the international financial institutions have a responsibility. The UK should not take it all upon ourselves in dealing with the problem. At the donors' conference, we will pledge a further £5 million from the know-how fund to improve the administration within Macedonia and to make the country more able to cope with the problems to which the hon. Member for South-West Devon referred.

Mr. Gerrard: We all appreciate that aid is needed and, after the conference, we may have a clearer idea of the scale of the money to be given. However, I am concerned about the comparison of what is being given with the costs. The Home Office has said that this country will spend more than £600 million this year on support for asylum seekers; and that is supporting maybe 50,000 people. When we compare that figure with the problems in Macedonia and Albania, it suggests the scale of aid that might be needed.

Mr. Foulkes: I will deal with that point, but it is important to deal first with the issue raised by my hon. Friend the Member for Cynon Valley (Ann Clwyd) and others about our position on taking in refugees. There has been some misunderstanding of the Government's position. There has been no policy change. Not having a quota does not mean an unwillingness to take refugees; indeed, quotas can easily be used as an upper limit.

We have said all along that the vast majority of refugees should remain in the region, as is their own wish—they said that to members of the Select Committee and to the Prime Minister—ready to return when the NATO campaign has succeeded. We in Britain have given more help on the ground than most other countries. We recognise that some refugees need to be airlifted out: especially the vulnerable, those with particular medical conditions and those with family connections in the United Kingdom. Above all, only those who want to come here must be brought; it must be voluntary. We were concerned that some people were being shipped out against their will. That certainly must not happen.

That humanitarian response has always been our intention. Two planes came in last week, to Leeds-Bradford airport and to East Midlands airport. I want to thank all those involved in receiving the refugees, including the Refugee Council, local authorities and local Members of Parliament. We are now able to increase the pace of our humanitarian response because the UNHCR and the International Organisation for Migration have been able to process more requests.

Departments, local authorities and voluntary organisations are now ready to receive more people, so we can go up from two planes a week to four a week, and ultimately one a day over the next few weeks.

Mr. Alan Clark: If, as is proper, the Minister is consulting local authorities and others and getting their consent, will he not also feel obliged, for reasons of both practicality and honour, to assure those authorities that a proper screening process will be set in train, to prevent infiltration by criminal elements and by those who, as I have warned the House, will be intimidating refugees, and whom their own people will obviously be reluctant to reveal?

Mr. Foulkes: A Home Office team will go to the region—this weekend, I expect—to help with the screening, working with the UNHCR and the International Organisation for Migration.

Those who come will get exceptional leave to stay and will be able to receive social security and to work. The next two plane loads will arrive at Prestwick airport on Sunday and will then go to Clydebank and to Glasgow.

Let me assure my hon. Friend the Member for Cynon Valley that the fact that Britain was not on the list at the beginning and had to be added in biro was an administrative oversight on the ground in Macedonia—I apportion no blame—which, I am glad to say, has now been rectified.

I was asked about the level of assistance that we are giving. The Prime Minister announced a further £20 million, which several hon. Members have welcomed today, bringing the total since the conflict started to £40 million. I assure my hon. Friend the Member for Walthamstow (Mr. Gerrard) that we are willing to consider further requests for funds as the need arises.

I can confirm for the hon. Members for Richmond Park and for South-West Devon that the latest funds do not come out of my Department's budget. We are not taking away help that should rightly continue to go to those in poverty in sub-Saharan Africa and Asia. We try to ensure that the help that we give on the ground helps host families and the host countries as much as possible.

I join the hon. Member for South-West Devon in congratulating the British people on contributing £28 million through the Disasters Emergency Committee appeal. That, in a matter of days, is a phenomenal response, and shows their concern for the plight of refugees; indeed, they have contributed to other appeals, too. I know that many people want to give medicine or gifts, but money is what is needed. They would do better to sell what they might otherwise give and raise money so that what is needed can be procured locally, wherever possible.

We have an unparalleled record of providing help on the ground. We have flown 40 airlifts so far, providing tents, blankets, food, and medical and emergency supplies, with more on the way. I am proud to say, in this Red Cross week, that we have given £2.5 million to the Red Cross for relief and for family tracing, to get families back together. Scores of families have already been reunited, and more will be.

We are providing an airport logistics cell at Tirana, an aircraft handling package at Skopje, and a convoy of five trucks. We have helped to set up two camps in Macedonia

[Mr. Foulkes]

and we are setting one up in Albania. We are establishing contingency stockpiles of food, tents and blankets. There are scores of Department for International Development staff on the ground.

We are providing funds to the World Food Programme, to UNICEF and to international voluntary organisations. We are helping with radio programmes to give information to the refugees and providing free radios. Hon. Members can be proud of what the Government are doing in this very difficult situation.

My hon. Friend the Member for Clydebank and Milngavie urged us to give additional help to the UNHCR. There have been some criticisms of the UNHCR, and Mrs. Ogata, its head, has accepted that it is not perfect, but we should recognise that we are dealing with an unprecedented exodus. I can confirm today that, following the Prime Minister's visit, substantial further funds will be made available for the UNHCR. He hopes to talk to Mrs. Ogata about that. We are keen to help the organisation to overcome any weaknesses that have been identified and to provide the psychosocial help to which my hon. Friend the Member for Gloucester referred.

I have been asked about European Union funds. Our officials are today working on a specific remit to unblock the 25 million euros for Macedonia. It is important to remove the blockage as quickly as possible. I am sure that the hon. Member for South-West Devon will be pleased that the Adam Smith Institute is providing the help to try to get the Macedonian Government's books in some kind of order.

We recognise that the conflict affects not only Macedonia and Albania but the other front-line states, as the hon. Member for South-West Devon said. We recognise the need for long-term assistance, and we have already started discussions on that. The countries concerned are European countries and need to be integrated into the wider European and global framework, with political and economic stability in the long term. Membership of European and international organisations is vital to that end.

In the longer term, it is important to have a stability pact in south-east Europe. Proposals for such a pact will be discussed at a meeting of senior officials in Bonn on 27 May.

No one, and least of all Milosevic, should be in any doubt that we will continue our campaign until the Serb troops are withdrawn, there is an international force in place and the Kosovars can return in safety to rebuild their shattered lives. Meanwhile, we will continue to play our full part in helping the refugees on the ground and in the United Kingdom. They want NATO to succeed, above all, as they want to return to their homes. We will continue until they can do so in safety.

Transmissible Spongiform Encephalopathies

Mr. Deputy Speaker (Mr. Michael Lord): The next debate is on transmissible spongiform encephalopathies.

12.30 pm

Mr. Bernard Jenkin (North Essex): If, like me, Mr. Deputy Speaker, you have had to practise saying "encephalopathies", you did extremely well.

The purpose of this debate is not to discuss the general issue of the spread of transmissible spongiform encephalopathies, but to raise a particular case in which the rules to prevent it have been misapplied.

My constituent, Mr. R. Lennox of R. Lennox and Son of Layer de la Haye in my constituency, agreed to the sale of three loads of lambs to an Italian company, ILCO, in June 1997. I should say at the outset that I dislike the trade in live animals, and would much prefer United Kingdom-reared stock to be slaughtered before export—but that is another subject for debate and not one that I intend to raise now. My duty is to make representations on behalf of my constituent, who has suffered an injustice. Incidentally, not only Mr. Lennox but everyone in the supply chain has suffered—including those on hill farms in north Wales, in the constituency of the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), who cannot be present but has written to me about the problem.

The livestock were shipped on 4 July 1997 with all appropriate health records and veterinary certificates, as required by the Ministry of Agriculture, Fisheries and Food. They arrived in Italy on 7 July, and a certificate was issued confirming that their arrival in good condition. Mr. Lennox thereafter expected payment of £57,000.

As background, to cut a long story short, the Italian Government, acting under an ordinance dated 24 December 1996 on the prevention of the spread of TSEs, claimed that the MAFF certification was inadequate, and refused to accept the import of the lambs.

Incidentally, a similar shipment of lambs, which was sent to southern Italy, was accepted until the Rome branch of the Italian veterinary service contacted its representatives in the south. By that time, the consignment had been paid for. To be consistent, the Italian Government should have impounded those sheep, but the sheep had mysteriously disappeared. That consignment was paid for and disappeared, but Mr. Lennox's lambs have never been paid for.

After several days of exchanged faxes, during which time the condition of the lambs deteriorated, all 1,700 were slaughtered for non-food use on the order of the Italian Government. During that exchange, the UK Government made it clear that they considered that the Italian Government were acting illegally. On 14 July, Liana Smith, assistant to the first secretary at the British embassy in Rome, faxed the Italian Ministry of Health, apparently on the instruction of MAFF, stating that MAFF did not accept that the ministerial ordinance of 24 December 1996 was a lawful restriction on trade. Moreover, the fax made it clear that MAFF would write to the European Commission asking it to take legal action against the Italian Government.

In summary, Mr. Lennox is owed £57,000, but ILCO is refusing to pay. Mr. Lennox has therefore issued proceedings in the High Court, but ILCO has filed a

defence, which, in effect, blames the Italian Government for what occurred. The substance of the High Court action is not the subject of this debate. I question the UK Government's conduct in this matter, which is not sub judice. What have the Government done to help to remedy the loss suffered by UK businesses—notably that of my constituent—as a result of the Italian Government's legal action?

The Parliamentary Secretary, Lord Donoughue, wrote to me on 20 July last year, saying that the Italian authorities were shortly to amend their ordinance. He confidently predicted:

"Mr. Lennox will be in a stronger position with regard to pursuing the matter of compensation from the Italian authorities once the Commission has given an opinion on these legal matters."

A new ordinance was brought into force by the Italian Government on 24 August 1998, which replaces the previous one and conforms with Italy's treaty obligations. According to Lord Donoughue, Mr. Lennox is now in that "stronger position" to which his letter referred.

In February, I again wrote to the Parliamentary Secretary, asking his Department to raise the issue with its counterparts in the Italian Government, and to press them to ensure that compensation is paid. The Minister of Agriculture, Fisheries and Food himself replied. Although he acknowledged that the Government had made representations on the illegality of the now-defunct ordinance, he refused to assist my constituent. The purpose of this debate is simply to ask why.

My constituent has lost a large sum of money through the illegal actions of another Government. Why do the UK Government refuse to help to rectify that injustice? It has had a devastating effect on the viability of Mr. Lennox's business. He has no working capital; he cannot run his business. The suppliers whom he owes in turn are threatening bankruptcy proceedings. Mr. Lennox has had to put his farm on the market. Is that what the Government want?

The High Court action against ILCO will take a considerable time to resolve and may finish up in the European Court of Justice, which would take years. The sum in question is dwarfed by the legal costs. Is such a route the only recourse open to British businesses when other Governments flout their obligations under the single market, or does the Minister seriously expect an ordinary Essex farmer to be able to sue the Italian Government without any support from his own Government?

I urge the Government to write to the Italian Government, pressing them to take action to ensure that compensation is paid to Mr. Lennox, and thereby to his suppliers. If that is refused, the UK Government should seek meetings on the matter, ultimately at ministerial level and in the Council of Ministers, involving the Commission, until it is resolved. At the same time, the Government should take a policy decision in support of Mr. Lennox's legal action, with such financial and other help as may be necessary.

The Government cannot dismiss this matter as though it were a private contractual dispute, as the Minister did in his letter of 18 February. This is a matter between Governments. Failure to act one way or the other will mean that the Government are opting for the interests of their political horse trading, rather than for the real trade for which European Community rules were ostensibly established.

12.37 pm

The Minister of State, Ministry of Agriculture, Fisheries and Food (Mr. Jeff Rooker): I congratulate the hon. Member for North Essex (Mr. Jenkin) on finding a means by which to describe on the Floor of the House his constituent's important case and the circumstances in which he finds himself. As the hon. Gentleman knows from our discussion a few minutes ago, I was hitherto unaware of the specific nature of the issue. In fact, I have come to this debate armed with 1.5 in of briefing material on transmissible spongiform encephalopathies—one can say it if one does not think about it, by the way—in order to explain what is happening in respect of cattle and sheep. To reply with such information would be beyond the bounds of the subject that the hon. Gentleman has raised, and discourteous to him.

I recall the issue of what I call Italian sheep from the middle of 1997, just after we came into government. I remember seeing notes about delays concerning exports of sheep to Italy over which there was an argument. As the hon. Member for North Essex said, he has corresponded with two of my colleagues—Lord Donoughue and my right hon. Friend the Minister of Agriculture, Fisheries and Food.

The way in which Mr. Lennox has been treated is very unfair. I do not know how many similar cases there are, although the hon. Gentleman referred to the disappearance of a consignment following payment. As the Government, we took a view that the Italians' actions were unlawful, and made very strong representations to them. The Italians changed their law in December 1996. That went well beyond the Community rules at the time. Indeed, the chief veterinary officer of the Ministry of Agriculture, Fisheries and Food complained to the Italians about it.

The way in which the matter has been left is clearly unsatisfactory. I give the hon. Gentleman an assurance that further inquiries about this case will be made. I will see whether anything can be done. It does not make sense that a fellow European Union member state can bring in an illegal order that causes British companies to suffer. I suspect that things would be different were matters the other way around. I do not know of other cases, but, although I cannot state that the Government will pay the bill or initiate court action against the Italian Government, the events that the hon. Gentleman described send an unsatisfactory signal to other traders, in all walks of life, who could find themselves in the same difficulties as Mr. Lennox.

Clearly, the Government cannot intervene in the High Court proceedings against the importer of the sheep into Italy. It would not be satisfactory for me simply to tell the hon. Gentleman that we succeeded in persuading the Italian Government to withdraw the relevant order last August, and to imply that the problem has been solved for the future. Mr. Lennox has been left high and dry: although I do not know what the answer is, I assure the hon. Gentleman that the Government's collective view is that the case is one of very unfair treatment of a British trader by another EU member state, which has led to court action.

I accept the hon. Gentleman's caveat about the trade involved, but in fact the nature of the trade is irrelevant. It does not matter whether sheep or car radios were involved: a British exporter has suffered because of the illegal activities of another EU member state Government.

[Mr. Jeff Rooker]

I assure the hon. Gentleman that the Ministry will look into the matter further. If need be, I shall advise my right hon. Friend the Minister of Agriculture, Fisheries and Food to make the strongest possible representations to the Italian Government and indeed to raise the matter face-to-face with them. I shall, of course, report back to the hon. Gentleman on the progress being made.

Mr. Jenkin: With the leave of the House, Mr. Deputy Speaker, I wish to say that I am grateful to the Minister for that assurance. I undertake to furnish whatever additional information might be relevant. However, I fear that more than just the Ministry will be involved, as this is a matter between Governments.

Given the embarrassment that the matter has caused between two member states, some members of the Administration—such individuals are present in all Administrations—will wish to bury the issue and hope that it drifts into the past without becoming a stone in the shoe in the relationship between the British and Italian Governments. I wish to re-emphasise the devastating effect that the problem is having on the livelihoods of Mr. Lennox and his family, and on the north Wales farmers who are affected by it.

It is potentially a tragic case, but it is also unnecessary. I urge the Government, as a matter of policy, to consider giving financial assistance to companies and individuals who have been wronged in the way that I described. The Government should assist in the development of the EU law, because we are in a grey area. If we are to be good Europeans—as I believe that we should—we should encourage speedy mechanisms for the resolution of such disputes. Establishing the necessary legal precedents will require far more impetus than can be provided by a small farmer in Essex taking on the whole EU machinery himself.

I hope that the Minister of State will take action on the policy issues involved around Whitehall and ensure that those who would prefer inconvenient and embarrassing problems such as this simply to go away will not prevail.

Mr. Rooker: With the leave of the House, Mr. Deputy Speaker, I can assure the hon. Gentleman that the circumstances that he envisaged as a possibility will not arise. There is a policy issue at stake, and I will ensure that it is addressed. I shall report back to the hon. Gentleman as soon as possible.

Patrick Finucane

12.44 pm

Mr. John McDonnell (Hayes and Harlington): I am grateful to the hon. Member for North Essex (Mr. Jenkin) for the additional time that has become available for this debate.

On 12 February 1989, two masked men entered the home of Patrick Finucane and shot him 14 times. He died in front of his three children. His wife Geraldine was also injured, and the Ulster Freedom Fighters claimed responsibility for his murder. It was another brutal atrocity in the saga of killings and violence that has scarred the Six Counties of Northern Ireland for the past 30 years.

However, what is different about Patrick's murder is that a catalogue of evidence has been amassed that points towards its being the result of collusion between British security and intelligence forces and loyalist terrorist organisations.

The background to the murder appeared to be straightforward. Patrick Finucane was born in 1949, in the Falls road in Belfast. He came from within the Six Counties' Catholic and nationalist tradition. After his family were forced out of their home by loyalists at the start of the troubles, he became a student at Trinity college, Dublin. After completing his degree, he returned to Belfast to study law and eventually qualified as a solicitor. He commenced his practice in 1979.

As a solicitor, he represented Catholic and Protestant alike. However, there is no doubt that he gained a reputation for his highly professional competence in representing members of the nationalist community seeking protection in law from human rights abuses; nor is there any doubt that Patrick and fellow lawyers representing clients seeking to secure their rights in law were resented by certain groups among the authorities.

Less than four weeks before Patrick's murder, the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), then an Under-Secretary at the Home Office, said that, in Northern Ireland, there were "a number of solicitors" who were "unduly sympathetic" to the cause of the IRA. He added that that statement was made on the basis of "advice" and "guidance" from people "dealing with the matters".

I do not say this lightly, but I know of no more dangerous a statement to the House from a Minister of the Crown. The statement, in effect, was a declaration to some elements in the loyalist organisations that human rights lawyers in Northern Ireland were legitimate targets. For Patrick Finucane, it was the pronouncement of a sentence of death.

Of course, the statement outraged the nationalist community and the legal profession in Northern Ireland. On the very best interpretation, it was an act of such reckless misjudgment that it put in danger the lives and safety of many brave men and women who were upholding the best traditions of the legal profession in the most adverse conditions.

However, the charges of British state collusion in the murder of Patrick Finucane do not rest on the culpability of a Minister. They rest on a series of disclosures about the British security forces in Northern Ireland that have come to light in recent years.

The first such disclosure came with the arrest and conviction of Brian Nelson for conspiracy to murder in the early 1990s, following an inquiry by John Stevens, a Metropolitan police officer. John Stevens was brought into Northern Ireland by the then Government to investigate the release to loyalist paramilitaries of Royal Ulster Constabulary files on supposed suspects, and following the outcry after the murder of Loughlin Maginn.

A summary of the report by Mr. Stevens was released in May 1990, but the full report has never been published. In fact, it is a near-miracle that the report was completed at all. A fire gutted the office of the investigation team, which was sited in heavily guarded RUC barracks outside Carrickfergus. All the files that Stevens had accumulated relating to Brian Nelson were destroyed. Although the Stevens team later stated that they had arranged for the back-up storage of some material before the fire, I believe that not all the files have been fully identified.

Stevens discovered that military intelligence agents were being used in the Ulster Defence Association. Senior British Army officers at first denied that the Army ran any agents at all, but for the first four months of the inquiry they concealed 1,100 documents from the inquiry team. They handed them over only when Brian Nelson revealed their existence to the Stevens team. As a result of the inquiry, two Ulster Defence Regiment members were convicted in relation to the killing of Loughlin Maginn. However, no one was charged with conspiracy to murder—except Brian Nelson, whose central role in the wider picture as an agent of British intelligence was exposed.

The Stevens inquiry exposed Brian Nelson's role as an agent of British military intelligence. He was placed as a senior intelligence officer in the UDA. The Stevens inquiry did not look fully into collusion, as it was restricted to considering the leaking or release of RUC documents to terrorist squads.

Nelson described his role as a British military intelligence agent in his journal, which was exposed on BBC's "Panorama" in June 1992. The information contained in the journal was largely confirmed when classified Army files were brought to light by a journalist, John Ware, in an article in the *New Statesman* in 1998. It is clear that Nelson served as a chief intelligence officer of the UDA. He infiltrated the UDA through the actions of the British security forces.

According to a British colonel—Colonel J—who gave evidence at Nelson's trial, the UDA had been persuaded to centralise its targeting of IRA suspects, as they were described, through Nelson. It was persuaded to concentrate on known IRA activists. John Ware, in the *New Statesman*, described how Nelson operated. He said that Nelson assisted the targeting of IRA activists by compiling personality cards—P cards, as they were called. Those cards listed the target's address, associates and identification details, and they included a photograph.

When a target was selected for assassination—often by Nelson himself—Nelson passed the P card to the hit squad. Nelson, however, often did not know precisely when the assassin would strike. From the moment he passed on the P card, he and the British security handlers had lost control of the exercise.

In the case of Patrick Finucane, Nelson was asked to gather information weeks before the murder. He informed British intelligence officers—his handlers—of the request. He passed a photograph of Patrick Finucane to a UDA member, Eric McKee, a few days before the killing. Loyalist sources claim that Nelson reconnoitred the Finucane home with the killers before the attack.

Despite the warning given by Brian Nelson to the British intelligence services, Patrick Finucane was not informed of the threat to his life. A similar and simultaneous threat against another prominent lawyer, Paddy McGrory, was not relayed until two months after Patrick Finucane's death. Nelson was never charged in connection with the killing. His claims have never been examined in open court. No one has been prosecuted for the murder of Patrick Finucane. No one has been charged in connection with the murder, but three men were charged with possession of the murder weapon.

According to Ed Maloney, a journalist, in *The Sunday Tribune*, the man who asked Nelson for the photograph of Pat Finucane, and who was subsequently taken to the Finucane home by Nelson, was the head of the UDA's murder gangs. That man served a sentence for possession of scores of leaked documents, along with four others. One of the four was the UDA leader, Tommy Lyttle. All were arrested by the Stevens inquiry team. As at the Nelson trial, a deal was struck preventing full details of collusion between British forces and loyalist murder gangs from coming out in open court.

The Stevens inquiry did not, unfortunately, interview Patrick Finucane's widow, his partner, Peter Madden of the Madden and Finucane legal team, or any of the clients to whom threats had been made against Patrick Finucane. Since the original Stevens investigation, there have been many calls for a further inquiry based on the examination of the available evidence by various bodies.

In April 1998, Param Cumaraswamy, the United Nations special rapporteur on the independence of judges and lawyers, set out a special review of the Patrick Finucane murder in his report on Northern Ireland. He stated:

"Although some pointed out that this was only one of hundreds of unresolved murders, the murder of Patrick Finucane is of a different nature. As a high profile lawyer who had tremendous success representing his clients, both before domestic courts and the European Court of Human Rights, his murder had a chilling effect on the profession and further undermined public confidence in the judicial system. Solicitors informed the Special Rapporteur that the murder led them either to give up criminal practice entirely or to alter the manner in which they handled terrorist related cases. Thus, the defendant's right to counsel was compromised. It was also learnt that several lawyers armed themselves for self-defence and their houses were equipped with security devices.

Principle 17 of the United Nations Basic Principles on the Role of Lawyers provides, 'where the security of lawyers is threatened as a result of discharging their functions, they shall be adequately safeguarded by the authorities.' If it is true that Brian Nelson informed military intelligence of the UDA's intent to murder Patrick Finucane, as Nelson claims in his prison diary and which seems to be corroborated by the testimony of Colonel J at Nelson's trial, then the Government has violated its duty to safeguard Patrick Finucane. Further, this omission would constitute a violation of article 6 of the International Covenant on Civil and Political Rights. The outstanding questions surrounding the murder of Patrick Finucane demonstrate the need for an independent judicial inquiry. So long as this murder is unresolved, many in the community will continue to lack confidence in the ability of the Government to dispense justice in a fair and equitable manner."

The rapporteur also revealed that, before Patrick Finucane's murder, Patrick had received a number of death threats from RUC officers, mainly delivered

[Mr. John McDonnell]

through his clients. One client, Brian Gillen, who received compensation for ill-treatment suffered while in detention, has testified that he was told by an RUC officer, following the filing of a habeas corpus petition by Patrick Finucane, that

"it would be better if he were dead than defending the likes of you."

The RUC threatened to give details of the solicitor and his client to loyalist paramilitaries.

Following Patrick Finucane's defence of Gillen, other clients have testified, numerous death threats were made against him by the RUC. He is reported to have received threatening phone calls at home. On 5 January 1989, five weeks before his death, one client alleged that an RUC officer

"informed me that my solicitor was working for the IRA, and would meet his end also . . . He asked me to give Mr. Finucane a message from him . . . He told me to tell him he is a thug in a suit, a person trying to let on he is doing his job and that he, like every other fenian . . . bastard, would meet his end."

In January 1999, Mr. Cumaraswamy reiterated his call for a public inquiry. In a further report, the UN rapporteur made clear his view that the Government might have misunderstood the reason for his call for an inquiry. His concern over the murder was over doubts about state collusion—that is, military or RUC collusion. In materials that he had seen, he said, there was at least prima facie evidence of such collusion.

Mr. Cumaraswamy reiterated his earlier call for a royal commission of inquiry into the murder. In his view, on behalf of the UN,

"Only such an inquiry could finally lay to rest the lingering doubts about this brutal murder, which has had a chilling effect on the independence of the legal profession in Northern Ireland."

The Finucane family has submitted papers to the Secretary of State for Northern Ireland listing further information on Patrick Finucane's murder. The Irish Government have examined those papers, and, according to David McKittrick in *The Independent* on Monday, in a letter to the British Government, enclosing documentary evidence, the Irish Foreign Affairs Minister said:

"I believe the case for a public inquiry is compelling. The allegations serve to undermine confidence in the rule of law. In my view, they can only be answered with confidence—one way or the other—through the mechanism of a public inquiry."

The evidence is building, as is pressure for a public inquiry. There is support for the UN call for an independent judicial inquiry from, among others, Amnesty International, the International Commission of Jurists, Human Rights Watch, the International Federation of Human Rights, the Lawyers Committee for Human Rights, the Committee on Administration of Justice, British Irish Rights Watch and the Law Society of England and Wales.

We are aware that John Stevens has reopened his inquiry and we welcome that, but there is a general view that confidence can be restored only by a full public inquiry. The breadth of the evidence of intelligence collusion between British forces, the RUC and loyalist terrorist squads in the murder of Patrick Finucane demands that sort of public inquiry, but the evidence goes further: it demonstrates that while he was an agent for military intelligence sources Brian Nelson played a role in the supply of arms from South Africa to loyalist murder squads; that he informed his intelligence handlers two years in advance of the supply of the arms; and that, although there was a sweep to obtain those arms, only some were obtained by the security forces and others are being used even today by loyalist murder squads.

Our view is that all the allegations of collusion between the British state and loyalist murder squads warrant inquiry, but I am using today's debate to call for an inquiry specifically into the death of Patrick Finucane. We believe that the Stevens inquiry would be usefully supplemented by a public inquiry summoned by invoking the Tribunals of Inquiry Act 1921, as we had in respect of the investigation of Bloody Sunday.

We all believe that peace requires confidence building. The nationalist community and all those who are searching for a just peace have been battered by the deaths of so many of those who stood up for human rights, including Patrick Finucane and, more recently, Rosemary Nelson. The Irish community in this country and in Ireland have been offended by last week's failure to prosecute anyone for the killing Diarmuid O'Neill and by the long-standing refusal to reach for truth in the case of Patrick Finucane by way of a full public inquiry. Today, I urge the Government to act, not only to secure prosecutions, but to ensure that we arrive at a full and thorough understanding of what happened to Patrick Finucane. If, as we suspect, his death came as a result of collusion between security forces and loyalist murder gangs, that should be exposed, because that exposure will enable us to build the confidence that we need for peace.

Just as a truth commission was established in South Africa, perhaps the search for peace in Northern Ireland will require the establishment of a series of truth commissions to investigate different cases and different issues that affect the whole community. We have appealed for all terrorist organisations to identify the location of the graves of all those who disappeared, so that their families know what happened to them and their minds can be put at rest. If the Lawrence inquiry taught us any lessons, it must be the prime importance of listening to the families of those who have been lost; that is the wish of the Finucane family.

I hope that the Minister will offer a constructive response to the debate. I have seen today's reports in *The Independent* that the Secretary of State for Northern Ireland is trying to secure the fullest possible inquiry into the case and that she seeks prosecutions of those who murdered Patrick Finucane. However, I hope that we have not closed our minds to the potential of a full public inquiry, for in that way we may be able to expose the range of collusion that went on.

Let me give one further example. The supply of arms from South Africa to loyalist groups increased the number of assassinations; that was one of the roles played by Brian Nelson. In the six years before the arrival of the South African arms, between 1982 and 1987, 71 people were killed by loyalist murder groups; in the following six years, between 1988 and 1994, 229 people were killed—an increase of more than 300 per cent. Yet British intelligence were given two years' notice of the supply of those arms by Brian Nelson. I believe that there was a degree of collusion involved in the murder of Patrick Finucane that must be exposed, and that doing so might expose a level of collusion that we never dared to expect from the British security services, serving in the name of the British Crown.

1.4 pm

The Minister of State, Northern Ireland Office (Mr. Adam Ingram): My hon. Friend the Member for Hayes and Harlington (Mr. McDonnell) has spoken of a tragic event—the murder 10 years ago of Patrick Finucane in front of his family. As he says, a further police inquiry into the murder of Mr. Finucane was announced last week. I shall say more about the background to that investigation in a moment, but the point I need to stress is that I shall not be able to comment on the substance of the issues that are being investigated, as I have to ensure that I say or do nothing that would impede the police inquiry, or any possible future prosecutions. In addition, in relation to the murder, there are on-going civil proceedings in the courts in Northern Ireland, which severely limit how much the Government can say; and there is an on-going case in Strasbourg under the European convention on human rights. Because of that, my hon. Friend will understand why I have to be circumspect in my comments in this debate.

The Government unreservedly condemn the brutal murder of Mr. Finucane, and we are determined that all necessary steps should be taken to ensure that those responsible are brought to justice. Certain allegations have been made against the security forces in relation to the murder; likewise, we are determined to ensure that all the allegations are fully and fairly investigated and are seen to be so. As I have mentioned, a police investigation into the murder and related issues is under way, but that does not mean that the Government have closed their mind on what additional action, if any, is necessary in relation to the case. All options remain open. Nothing has been ruled out.

It might be helpful if I were to outline in more detail the background to the recent developments in respect of the murder of Mr. Finucane.

Mr. McDonnell: When my right hon. Friend says that no option has been ruled out, he is explicitly stating that the option of holding a full public inquiry has not been ruled out at this stage.

Mr. Ingram: That is correct, and I shall stress that again later in my speech.

To return to the background of the case, Patrick Finucane, a Belfast solicitor, was murdered in February 1989. The murder was investigated by the police at the time and, although the Director of Public Prosecutions for Northern Ireland decided that there was insufficient evidence to prosecute anyone for murder, three people were charged with and convicted of possession of one of the weapons used in the attack and received sentences of two, three and four years respectively. As my hon. Friend says, unease about the background to the murder has not gone away, and it has been the focus of an on-going campaign over the years.

My right hon. Friend the Secretary of State met Mr. Finucane's widow, Geraldine, on 12 February 1999 and took receipt of a document that contained alleged new evidence prepared by British Irish Rights Watch about the murder of Mr. Finucane. My right hon. Friend gave an assurance that the document would be examined fully, and that is now being done. The Irish Government have now written to us with their assessment of the document—an assessment that has now been widely published, although it would have been inappropriate to discuss the content of that assessment during this debate. My right hon. Friend met Mrs. Finucane again this morning; she also plans to meet the Irish Minister of State at the Department of Foreign Affairs to discuss the Irish Government's representation. As my right hon. Friend said yesterday:

"I take the situation very, very seriously. I am determined that no option will be excluded. Be assured, I am not going to leave the issue alone . . . I am not going to let this drop."

Let me now explain the process involved in the examination of the material. After receiving the document, the Government sent it to the RUC and to Mr. John Stevens, assistant commissioner of the Metropolitan police, asking for their views on the significance of the material. Because the material contained allegations of criminal offences having taken place, we also passed it to the Law Officers. The Director of Public Prosecutions for Northern Ireland in turn received a copy of the report from the Law Officers.

The Director wrote to the Chief Constable of the RUC on 16 March in regard to the report, asking the Chief Constable to inform him whether it contained facts and information in respect of offences alleged to have been committed against the law of Northern Ireland, which had not been the subject of investigation and report to him, whether by Mr. Stevens or any member of the RUC, and which required investigation by the police. The Director also asked to be informed whether the report contained additional facts and information in regard to offences alleged to have been committed against the law of Northern Ireland which had been the subject of investigation and report to him, whether by Mr. Stevens or any member of the RUC, and which required further investigation by the police.

I recognise that some have criticised the Government for referring the paper to the RUC and Mr. Stevens. However, in doing so, we were not only following up the most effective lines of inquiry to assess the material, but we were legally obliged—I want to stress this—to pass to the police any evidence of criminal offences having been committed. Practical and legal imperatives therefore required us to act in this way. The way in which the RUC then carries out its own criminal investigations is for the Chief Constable to decide, and it would not be appropriate for the Government to interfere in that process. That does not mean that my right hon. Friend the Secretary of State has ruled out the option of an independent public inquiry.

As I stated earlier in response to an intervention, that option remains open. My right hon. Friend the Secretary of State is determined to keep developments under review and will not hesitate to act if she concludes that the public interest and the interests of justice require her to do so. For now, however, it is right that the possibility of bringing those responsible to justice in the courts should be pursued.

The Chief Constable announced on 19 March that the British Irish Rights Watch paper had been referred by him to Mr. Stevens for investigation. Mr. Stevens then made an announcement on 28 April about his remit. He said that he would be investigating the murder of Mr. Finucane and associated matters raised by the British Irish Rights Watch report and the report of the United Nations special rapporteur on the independence of judges and lawyers, Mr. Param Cumaraswamy.

In order to progress his investigation, Mr. Stevens has set up an independent team of investigators, with current and former officers from the Metropolitan police service

[Mr. Ingram]

and the Northumbria constabulary. He has called for anyone who can provide information to get in touch. I reiterate and re-emphasise that call today. If people want this investigation brought to a successful conclusion, they should co-operate fully with those responsible for carrying out the investigation.

While there are no RUC officers on his team—

Mr. John D. Taylor (Strangford): Does the Minister think that it would be better if Mrs. Finucane also spoke to Mr. Stevens?

Mr. Ingram: I think that I have made things clear. I have said that anyone who has any information—it is not for me to assess whether someone has information—or who thinks that he or she can help Mr. Stevens in his inquiry, from whatever quarter, should do so. That will help in bringing to justice those responsible for the murder.

I was about to comment on the fact that while there are no RUC officers on Mr. Stevens's team, Mr. Stevens explained that it would have access to RUC information and resources as necessary to support the investigation.

In September 1989, Mr. Stevens, then deputy chief constable of Cambridgeshire, had been appointed by the then RUC Chief Constable, Sir Hugh Annesley, to inquire into allegations of breaches of security by the security forces in Northern Ireland. Mr. Stevens's team had not previously investigated the murder of Mr. Finucane itself, but information emerging from the previous investigations had linked individuals involved in those investigations to the murder.

Mr. Stevens's first investigation had begun after the theft of photo-montages from a Belfast police station. It resulted in 43 convictions and more than 800 years of imprisonment for those convicted. The report of that investigation contained more than 100 recommendations for the handling of security documents and information. All were accepted and they have now been implemented. To quote from the published summary of Mr. Stevens's report, the analysis of the evidence

"makes it clear that the passing of information to paramilitaries by security force members has been restricted to a small number of individuals. It is neither widespread nor institutionalised."

Mr. McDonnell: I would ask my right hon. Friend to take back to the Government and the Law Officers who would be involved in the decision on this matter the message that part of the restoration of confidence in the overall investigatory processes in Northern Ireland would be assisted by the publication of the full Stevens report rather than just the summary.

Mr. Ingram: That predates this Government taking office. In any event, the documents refer to highly sensitive intelligence material. If they had been put in the public domain, they could have put at risk the lives of those who are acting in the interests of us all in the defence of democracy. Very difficult decisions have to be taken by Governments in the pursuit of democracy and in the defence of it against determined paramilitary and terrorist forces. However, if there is some form of inquiry, public or otherwise—as I have said, nothing is ruled out—it becomes a matter of deciding at that time what is published and what goes into the public domain. I am not at liberty at this stage to say that that should or could happen. It remains a matter for the authorities at that time.

In 1993, following further allegations that had been made, Mr. Stevens was again asked by the then Chief Constable to investigate further matters which related solely to the initial inquiry. Mr. Stevens's second report to the Chief Constable was considered by the Director of Public Prosecutions for Northern Ireland, who concluded that the evidence was insufficient for any further prosecutions to be brought. As I have said, the fact that the new investigation has been established very much limits what I can say about the substance of the recent allegations surrounding the murder of Mr. Finucane. I hope that the current police investigation will leave us in a better position to assess what further action, if any, we need to take.

I emphasise again that no options have been ruled out. That means that a public inquiry has not been excluded as a possible outcome. It is important that every support and encouragement is given to the police in carrying out the current investigation to bring to justice those who murdered Mr. Finucane.

Mr. McDonnell: One of the issues raised in discussions about the potential for an inquiry is the nature of that inquiry. The United Nations rapporteur has made it clear that he would welcome a judicial inquiry. Are there any plans to meet the UN representatives to discuss the potential of an inquiry as an option, and the nature of the inquiry—for example, whether the inquiry should be judicial, whether it should have an international element or whether any other steps should be taken that would at least move the process on in reassuring the UN rapporteur that the Government have taken this matter seriously?

Mr. Ingram: I know of no plans at present to do so. However, my right hon. Friend the Secretary of State has met Mr. Cumaraswamy. He was very satisfied with the way in which the Government were dealing with the issues that he raised at that time. I have probably said about three times that nothing has been ruled out. I do not think I can say that more clearly. Therefore, further meetings with those who have expressed an interest in this matter may prove beneficial if we move into that phase in dealing with the issue.

Mr. John D. Taylor: The Minister says that nothing has been ruled out. As everyone in Northern Ireland knows, the Finucane family is a strong republican family. Mrs. Finucane has made it clear that she will not work with the RUC. She has now rejected the English police as well. She refuses to speak to Mr. Stevens. Has the Minister not destroyed Mr. Stevens's inquiry already by saying that nothing else is ruled out? There is no need to speak to Mr. Stevens now because the Minister has already said that he is going to go ahead beyond that.

Mr. Ingram: I think that the right hon. Gentleman is trying to put words into my mouth. Clearly, we do not know what Mr. Stevens will report on. I think that it is appropriate, therefore, to say that nothing has been ruled out. It may lead to a requirement to proceed in the way that has been suggested during the debate or in another way, which would then be defined, based on what information was available.

The statement that Mr. Finucane's family are a well-known republican family does not justify the murder of a member of that family. When we put labels on people, we must be careful about the possible consequences.

Mr. Taylor: In no way am I saying that that is an excuse for a murder. I deplore all murders. I was nearly murdered myself, as the Minister may know. What I am saying is that the family are one of the strongest republican families in Northern Ireland, who despise all police, whether they are RUC or English police. They have now said that they will not co-operate with Mr. Stevens. By saying that he will look beyond to an independent inquiry, the Minister has cut away the credibility of the Stevens inquiry, and people will no longer co-operate with it.

Mr. McDonnell: On a point of order, Mr. Deputy Speaker. A statement has been made in the House about a certain family despising the police, but no evidence has been presented in the Chamber. When statements were made about the Finucane family 10 years ago, Patrick Finucane's life was put at risk and he eventually lost it. I believe that we should caution right hon. and hon. Members to be careful with their words when we are dealing with such matters. The right hon. Member for Strangford (Mr. Taylor) should know that full well, with his wealth of experience.

Mr. Deputy Speaker (Mr. Michael Lord): That is not a point of order for the Chair, but all hon. Members should take care about the language that they use in debates such as this.

Mr. Taylor: All I am saying is that Mrs. Finucane herself has said that she will not co-operate with Mr. Stevens.

Mr. Deputy Speaker: Order. The right hon. Gentleman has made his point.

Mr. Ingram: The right hon. Gentleman has indeed made his point, and I am glad that he was able to correct any false impression that may have arisen from the way in which he phrased his remarks. I am not suggesting that he set out to create a particular impression, but it is important to put on record that, in a democracy, the fact that someone has certain labels put on him and takes a view on the institutions of the state does not justify action by paramilitaries to murder any member of our society. We have a duty of care for all members of our society, irrespective of how they view that society. That is the strength of the democracy that we seek to uphold in the House.

Before that exchange, I was about to conclude my remarks. It is important that we give every support and encouragement to the police. The best way that anyone who has information can bring people to justice is to co-operate with the police. It does not undermine Mr. Stevens's inquiry one iota to say that we must consider the possible consequences of his report. It would be wrong to rule anything out, as we do not yet know the contents of his report.

I thank my hon. Friend the Member for Hayes and Harlington for initiating the debate. It has allowed me the opportunity to put on record the thoroughness with which the issue has been tackled by the Government and the RUC. We owe that to the Finucane family and to the rule of law.

1.23 pm

Sitting suspended.

Orange Badges

1.30 pm

Dr. Vincent Cable (Twickenham): I am grateful for the opportunity to initiate an Adjournment debate on a subject which, through their case work, affects a large number of hon. Members. I appreciate the Minister for Transport in London replying to the debate. I have consulted several disablement groups, and all were positive about and appreciative of the knowledge and understanding of their transport problems that she has shown.

The angle from which I shall approach this issue is in one sense narrow. I am concerned, as are most hon. Members, with cases that fall just outside the eligibility criteria, but I do not want to lose sight of the bigger picture as I discuss the specifics. Orange badges are important because access for disabled people is crucial for employment, for shopping and for living a normal life. Access means mobility—and mobility, for almost all of them, means a private car, because the public transport system has not yet adapted to the problems of disablement.

I believe that the regulations applying to buses and to taxis will not fully come into effect until 2017 and 2012 respectively. Even for disabled people who can reach access points, buses and taxis are not practical options. The private car is the key to access and mobility and, in the urban and suburban environments that I represent, that means access to parking, so the orange badge concept is absolutely crucial.

Although I shall discuss a particular aspect of this issue, I hope that the Minister will be able to say a little about the Government's broad approach to the orange badge scheme. It was reviewed in 1989—which led to changes being made in 1991—and again in 1996, specifically in relation to enforcement. Perhaps she will bring us up to date on the Government's thinking. To the best of my knowledge, the orange badge scheme has not been discussed in this Parliament; I may have been inadequately briefed, but that is my understanding.

Although I shall argue for some broadening of the eligibility criteria in one or two cases, I recognise the dilemma—the tension—in this whole problem; it was brought home strongly to me by the disablement groups. Some cases, such as those of which I am aware, fall just outside the eligibility rules. They are hard cases, and my instincts are to seek a widening of the scheme for the benefit of those individuals. However, I recognise that the authorities, the Government and the disablement organisations are concerned, above all, with the integrity of the scheme. That is an important objective in itself.

Fears have been expressed about the proliferation of badges, abuse of the scheme and the system falling into disrepute if it is widened too much. I understand and sympathise with those fears; I certainly do not want to propose anything that would undermine the integrity of the scheme and thereby affect the seriously disabled badge users who take full advantage of it.

As I move to a discussion of the specific categories that I want to raise, it may be useful to hit upon a few of the key trends, which bring the conflict between the broadening of the scheme and its integrity into sharper relief. The first trend, as the Minister well knows, is the considerable increase in the number of badges. I tabled a parliamentary question to her a few weeks ago and the answer suggested that the number had increased from slightly under 1 million in 1989 to about 1.7 million.

I understand that that figure may now have reached 2 million, so it has doubled over a decade and a substantial number of vehicles—probably one in 10 of those on the road—have orange badge specification. My question, to which I do not know the answer, is whether that number is appropriate and whether research has been carried out into whether the disabled community as a whole is fully utilising the scheme.

My research suggests that about 4.5 million people are seriously physically disabled, and they obviously fall into the category of being eligible for the orange badge scheme, so slightly less than 50 per cent. of disabled people are covered. A lot of disabled people are old, live in rural areas or do not have cars, and they would not want to take advantage of the scheme. However, it would be useful to know whether the number of people taking up badges is appropriate, given the incidence of serious physical disability.

Some estimates of the number of disabled people go way beyond 4.5 million and it would be interesting to know whether sample surveys have been carried out in particular areas in respect of supply and demand for facilities for the disabled.

The second trend is abuse. I hear and read in the press apocryphal stories—and also real examples—of abuse of the scheme. I understand that a key objective must be the prevention of abuse and that any fresh look at eligibility criteria, if there is to be one, must not open the scheme to more abuse than already occurs.

I appreciate that abuse can occur in several ways. For example, general practitioners may be excessively liberal in their approach. It is difficult for doctors to say no, just as it is difficult for Members of Parliament to say no, when people ask for help. Perhaps the GP system is excessively liberal, but I find that difficult to believe as I have come across many cases of doctors refusing what seem to be plausible requests for orange badges.

Similarly, it is alleged that many local councils find it difficult to say no and award orange badges too freely. Again, from my experience, I find that a little difficult to believe—certainly of the area for which I am the Member of Parliament. The local authority is quite tough in its issuing policy and many cases of what seem, at first sight, to be unreasonable refusals come to me. Local citizens advice bureaux and other agencies—not only in my area, but in others—report how difficult it often is for those who fall within the eligibility criteria to get orange badges. There may be abuse, but it is certainly tempered by severe application of the rules elsewhere.

There may be abuse by disabled people themselves. We all hear stories of cars with orange badges pulling into parking bays and fit young people bounding out. No doubt some disabled people give their badges to relatives, but such incidents occur simply because many disabilities are episodic. People who have rheumatoid arthritis are more active in some periods than in others. I am sceptical about many of the claims of abuse, and I should be interested to know the Government's assessment of the scale of the problem and of how seriously we need to take it when we consider eligibility criteria.

The next broad trend that I want to sketch as background to particular cases is what appears to be—and what the disabled associations believe to be—a breakdown of the national scheme. Implementation of the disabled orange badge scheme locally appears, in some cases, to be resulting in different councils adopting radically different philosophies in their approach to it. We know that green badges are being issued in some local authority areas, for the benefit of local residents as opposed to orange badge holders from elsewhere. A tougher regime is being applied and the scheme has never applied at all in other areas, such as central London.

It is not immediately obvious to me why Kensington and Chelsea, for example, should be exempt from the scheme; its parking problems are quite serious, but so are those in my part of suburban London. I am sure that there are serious problems in Hampstead and Highgate as well. We need to consider why orange badge schemes apply in some areas but not in others, and why the rules are more severe in some areas than in others. That is the context in which I want to place the discussion about eligibility criteria.

This issue has been raised before in the House, but not in this Parliament. It was confronted in 1994 by the late John Watts, when he was Minister responsible, and representations on widening the criteria were made by hon. Members. I want to return to some of the issues that he raised.

There seem to be two broad problem areas and I have encountered both in my work as a constituency Member of Parliament. The first is that of temporarily disabled people. Some people might be described as temporarily disabled for what appear to be trivial reasons. For example, someone may have broken his leg in a skiing accident or injured himself playing football. Clearly, I would not want the scheme to be extended to cover such cases. However, there are other cases of temporary disablement, such as that of the woman in Twickenham who came to me for help. She had been walking along the road and a car had hit her and badly crushed her legs. She is still immobile after 21 months—she tried to walk with difficulty on crutches. She clearly falls within the criteria of substantial disablement, but because she is not permanently disabled the council would not issue her with an orange badge.

Another case is that of a woman with serious cancer. She is undergoing cancer therapy, which has the effect, as does the disease, of greatly weakening her so that she is not mobile and cannot walk 100 yd. She needs help, but cannot get it because that disease is curable and thus the disability is temporary. She does not fall within the disability criteria that the legislation requires. There are also people with arthritic conditions, who are waiting for hip replacement operations. That takes a long time. I am sure that the Government's health policy will improve that over time, but people wait for one or two years for hip replacement operations and, in the meantime, they cannot avail themselves of orange badges because they are only temporarily disabled.

Can the Minister do anything about those categories of people? One suggestion is to issue for one or two years orange badges that would be returnable thereafter. Clearly, the flexibility that local councils have would enable them to judge the severity of particular cases.

The second problem area is of a different kind. It covers people with diseases that clearly do not fit into the conventional definition of "physical disability". I do not know whether hon. Members are familiar with Crohn's disease, but it is a serious bowel disorder, such that people must have immediate access to public conveniences. It is a very distressing condition. Although it is not physical disablement in the normal sense, for those with severe manifestations of that illness easy access to parking is absolutely critical. Certain variants of epilepsy have similar implications.

If some of those diseases, which I believe are known to the Government—epilepsy, certain forms of mental illness, Crohn's disease and other bowel disorders—were encompassed in the scheme, we would be talking about large numbers of people and I understand why the authorities would not wish to widen the scheme indefinitely in that way. However, I should have thought that with an independent medical panel to hear appeals against local authority decisions and to look at cases flexibly, there might be some way of offering relief to those concerned.

Do the Government plan to address the question of the eligibility criteria? If they do, it must be done in a way that balances liberalisation against the danger of abuse. Do the Government propose to introduce the changes that were recommended in 1996 for a tougher enforcement code for orange badges; and if so, when? It was proposed that police officers and traffic wardens should be entitled to look at the identification of badge holders and that it should be mandatory for disabled people with orange badges to show them. That would be one way of cutting down on abuse while being flexible in other respects.

In a more general spirit, may I ask the Minister whether this whole area, which I accept is a vexed and difficult one because of the competing pressures, will be reviewed by the Government?

1.45 pm

The Parliamentary Under-Secretary of State for the Environment, Transport and the Regions (Ms Glenda Jackson): I thank the hon. Member for Twickenham (Dr. Cable) for affording the House the opportunity to debate an issue that is of particular importance to many disabled people.

As we acknowledged in our White Paper, for many severely disabled people the private car is the only viable transport option. However, its value would be greatly reduced, if not lost entirely, if disabled motorists were unable to park as close as possible to their destination. That is the primary purpose of the orange badge scheme, which enables people with severe mobility difficulties to park close to the places that they need or want to visit. Research demonstrates clearly that the mobility range of severely disabled people can be as little as 50 m, so even having to park 100 m or so away from one's workplace or from shops may make the journey extremely difficult, and in some cases impossible. The orange badge scheme is therefore vital in enabling the day-to-day activities that non-disabled people take for granted.

The scheme was first introduced in 1971 and, as the hon. Gentleman said, has been reviewed twice since then, the last review being completed in 1992. Eligibility for an orange badge is governed by the Disabled Persons (Badges for Motor Vehicles) Regulations 1982, which were subject to wide public consultation and parliamentary scrutiny.

[Ms Glenda Jackson]

To qualify for a badge a person must either be in receipt of the higher rate mobility component of disability living allowance or a war pensioner's mobility supplement; use a motor vehicle supplied by a Government health Department; be registered blind; have a severe disability in both upper limbs; regularly drive but be unable to turn a steering wheel by hand—even if that wheel is fitted with a steering knob; or have a permanent and substantial disability, which means that he or she cannot walk or has very considerable difficulty in walking. That last category is known as the "discretionary criteria".

It is clear from that list that eligibility is fairly tightly controlled, yet, as the hon. Gentleman pointed out, the number of badges issued over the past decade has risen dramatically, from 929,000 to 1.7 million—an increase of over 80 per cent. That total number bears no relation whatever to the proportion of the population that is disabled—some 10 to 12 per cent.; nor is the increase supported by a corresponding increase in the number of cars over the same period, although I recognise that not all badge holders are drivers.

That increase has prompted much concern, not least from our own statutory advisers, the Disabled Persons Transport Advisory Committee, the majority of whose members are disabled people. The committee recently submitted to me a report that recommends that we review the scope of the scheme with a view to tightening up the eligibility and revising the administration of the scheme.

DPTAC is particularly concerned about the application of the discretionary criteria. Its concern has been prompted by the fact that only a third of badges are issued "as of right" under the specific criteria that I outlined earlier. DPTAC's view is that the discretionary criteria are being applied too widely and should be restricted to people over the age of 65 years who would otherwise have qualified for the higher rate mobility component of disability living allowance.

One of DPTAC's proposals is that an applicant's GP should be removed from direct involvement in the process. Many local authorities considering applications under the discretionary criteria consult the GP for further information. DPTAC's view is that there should be some form of independent assessment, either by another doctor or by a qualified health professional.

It is not just the issuing process that has come under scrutiny by DPTAC. Like those of us in the Department, it is also concerned about the apparent abuse of the system—another matter to which the hon. Gentleman referred. The badge design already has a photograph of the holder, but we have not yet been able to introduce the legislative changes to provide the enforcement authorities with the powers to inspect badges. That gives rise to scope for unscrupulous people to use a badge belonging to someone else—often an elderly relative—and thus to enjoy the parking privileges that the scheme provides. That is unacceptable, and we have made it clear that we shall introduce the necessary legislation to allow inspection of badges as soon as parliamentary time allows.

DPTAC wants local authorities to strengthen their response to the abuse issue. It has recommended that local authorities should take a firm line with disabled people who knowingly allow their badge to be used by someone else, including withdrawing the badge altogether in cases of persistent abuse.

I recognise that DPTAC's recommendations have arisen from genuine concern about the effectiveness of the scheme. Although I share that concern, I am not as yet convinced of the need for a wholesale review of the scheme, as DPTAC has suggested. We have, however, undertaken a survey of issuing authorities to gather more information about how they are currently administering the scheme, particularly in relation to the discretionary criteria. I shall want to consider very carefully the information that is provided before deciding what, if any, further action is necessary.

Having set out the current position and explained our concerns and those of our advisers, I now turn to the particular concerns of the hon. Member for Twickenham, who has suggested that, far from narrowing eligibility, the scheme could perhaps be extended to cover people with temporary disabilities and those with specific conditions affecting their mobility.

I am very sympathetic to the problems faced by people with temporary disabilities, and I have certainly received other representations suggesting that the regulations should be relaxed to accommodate them. Currently, the regulations allow for badges to be issued only for a three-year period. We are not convinced that extending the scheme to allow badges to be issued for shorter periods would be in the best interests of the many thousands of severely disabled people for whom the scheme is an essential part of their mobility.

As I have said, there has already been a dramatic increase in the number of badges. Widening the eligibility criteria would inevitably mean a further rise in numbers. That would contribute to further traffic congestion in town centres, and could become self-defeating if it encouraged more local authorities to introduce local parking schemes that benefit only disabled people resident in their area. A number of local authorities have already introduced such schemes, which have attracted considerable criticism from disabled people residing outside those areas, as they are no longer able to access their town centres.

A significant rise in the number of badges would also make it more difficult for the police and traffic wardens to enforce the national scheme. The associations representing local highway authorities, whose members would have to operate the extended scheme, are opposed to the introduction of temporary badges.

From what I have said already about DPTAC, hon. Members will not be surprised to learn that it, too, shares those concerns, and fears that a move to extend eligibility would lead to the erosion of the benefits for those who currently qualify. It has emphasised the importance of ensuring that the rules of the scheme restrict eligibility to the permanently disabled people who rely on a badge to have at least some of the freedom of movement that non-disabled people enjoy.

It has also been suggested that there could be a two-tier system with a different coloured badge for people with temporary disabilities. Again, that would be difficult for local authorities to administer, and would make enforcement even more difficult for the police and traffic wardens. A two-tier system would also run counter to our

decision to implement the European Commission's recommendation for a standard design of parking card for disabled people.

The new badge, which will be blue, will be introduced in this country from 1 January 2000, and all badges will have been replaced by 2003. It will be recognised by all other member states, and will provide disabled people with the assurance that while travelling anywhere in the European Union they will be able to enjoy the parking concessions that apply to disabled people in each member state. The recommendation does not affect the eligibility criteria or the parking privileges that operate in each member state.

Returning to the United Kingdom scheme, I am aware that some authorities issue badges to people awaiting surgery, such as a hip replacement—a point made by the hon. Gentleman. They do so on the basis that, until surgery has taken place, those people are, in effect, permanently disabled. I understand that approach, but, in my view, it would not be appropriate to set national rules in this area. The effect of such conditions vary considerably. Setting eligibility criteria around particular conditions regardless of their effects would increase the demand for parking spaces reserved for disabled people, and could disfranchise the most severely disabled people who rely on them.

One such condition, to which the hon. Gentleman referred and which I know is of particular concern to him, is Crohn's disease. Although I recognise that the condition can be debilitating, those with the disease would be eligible for a badge only if their walking ability was also permanently, not just intermittently, affected. The issuing authority is best placed to make that judgment—supported of course by medical evidence—and to decide whether the applicant qualifies for a badge.

I realise that this may seem harsh to those who are outside the scope of the scheme, but I assure the hon. Gentleman that for severely disabled people, who view the scheme as a lifeline, the main concern is to ensure that it does not become so over-subscribed as to minimise or even negate the benefits to them. They have already been disadvantaged in areas where local authorities have introduced their own badges in response to the increasing number of orange badge holders. They are anxious that that practice should not extend to other authorities.

The orange badge scheme is, without doubt, a key element in the independent mobility of many severely disabled people. Without the badge, many people would be unable to go about their day-to-day business. It is, therefore, vital that the eligibility criteria for an orange badge should be tightly controlled, and that issuing authorities take great care in processing applications to make sure that those who receive a badge are those who have the greatest need for one. I am afraid, therefore, that I can offer the hon. Gentleman little hope that the scheme will be widened to bring people with temporary disabilities within its remit; nor are we likely to specify specific conditions in the guidance that we issue to local authorities to assist them with their administration of the scheme.

It being before Two o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Sitting suspended, pursuant to Standing Order No. 10 (Wednesday sittings), till half-past Two o'clock.

Oral Answers to Questions

WALES

The Secretary of State was asked—

Cardiac Services

1. **Mr. Win Griffiths** (Bridgend): What plans he has for improving cardiac services in the NHS. [82085]

The Parliamentary Under-Secretary of State for Wales (Mr. Jon Owen Jones): A national service framework for coronary heart disease will be published later this year. Its implementation will make a significant contribution to improving the quality of care and treatment for patients with heart disease in Wales.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Mr. Griffiths: I thank my hon. Friend for his answer, and, in particular, for the forthcoming publication of the national service framework. Will he convey to the Assembly—I am sure that someone quite close to him will be able to do that very well—the need to promote healthy life styles in Wales, and also the need to increase the resources available for cardiac care? Unfortunately, in Wales the problem is growing rather than diminishing.

Mr. Jones: My hon. Friend's point is well made. Cardiac services in Wales are indeed in great need, although heart disease is often preventable, and, given better life styles, we could do a great deal to reduce its incidence in Wales.

There is certainly some indication that demand is rising. I allocated an extra £1.4 million to the University Hospital of Wales last year so that cardiac surgery could continue there at its existing rate, but the Assembly will need to take advice from the newly formed specialised Health Service Commission on whether targets relating to cardiac surgery should be increased.

Manufacturing

2. **Mr. Barry Jones** (Alyn and Deeside): If he will make a statement on the prospects for manufacturing industries in Wales. [82086]

The Secretary of State for Wales (Mr. Alun Michael): The future of manufacturing industry in Wales is bright, provided that we work together and keep skills and productivity at the top of the agenda. The going has been tough in manufacturing industry—world growth has halved—but in Wales orders are expected to rise slightly over the next four months, and strong manufacturing growth is expected in 2000. The National Assembly will give a lead, working with business and creating jobs and opportunity. That will certainly be a top priority for a Labour-led Assembly.

Mr. Jones: To assist manufacturing in my constituency, will my right hon. Friend fight to keep assisted area status for Deeside, and to deliver objective 2 status for it?

Does my right hon. Friend agree that the prospects for manufacturing in Wales—for example, in the aerospace industry—will not be helped by separatism and nationalism? Does he agree that the leadership of the nationalist party in Wales is over-confident, overstretched and overblown?

I congratulate my right hon. Friend on his campaign, and wish him success.

Mr. Michael: My hon. Friend is right. Nearly 50 per cent. of manufacturing investment comes from foreign-owned companies, and Plaid Cymru would put that at risk. We need the balance between inward investment and the promotion of our indigenous companies that only the Labour party has promised to provide.

I certainly agree with my hon. Friend about the importance of the aerospace industry. I have made visits to his constituency with him, and I have seen the way in which management and trade unions in Deeside are working together to keep jobs and win jobs for the future.

Mr. Richard Livsey (Brecon and Radnorshire): The House will note that, following pressure last night from Mike German, the Liberal Democrats' leader in Wales, the Secretary of State was unable to confirm the position regarding matched funding for objective 1 status. Will he confirm the statement made in a House of Commons Committee Room on 17 March by the Secretary of State for Trade and Industry that if there were to be any matched funding for objective 1 status in Wales, it would have to come from the Welsh block?

Mr. Michael: The hon. Gentleman's question is very entertaining. He clearly understands that an election is going on in Wales, and I commend his ingenuity in managing to mention the representative of his own party, who was last seen in a life jacket.

In fact, a Labour Government won objective 1 status for Wales. There were cynics, not least in the hon. Gentleman's party and in Plaid Cymru, who thought that that could not be achieved. Indeed, the leader of Plaid Cymru was so confident that it would not be achieved that he promised a crate of champagne to my predecessor. As far as I am aware, it has still not been delivered. But we have delivered objective 1 status, and, as the Prime Minister has made clear, a Labour Government will enable the Assembly to use it—and the finances that will be part of the overall £1.3 million—to transform the economy of Wales for the better.

Mr. Denzil Davies (Llanelli): My right hon. Friend will not need to be told that manufacturing is always under pressure because it has to compete in a global market for exports and against imports, whereas the much larger service sector in the United Kingdom is not, in the main, subjected to those pressures. Will he ensure that the Bank of England is given that message before it starts to put up interest rates again?

Mr. Michael: I shall ensure that the needs of manufacturing industry in Wales are put at the forefront and that messages are given to colleagues in the Cabinet with other responsibilities. Recently, I was pleased to visit a company in my right hon. Friend's constituency. The link between inward investment from Japan and that

company's rise in his constituency demonstrates how success can be achieved in partnership. Indeed, we are working with that company to put money into research and development to ensure that the high-quality work and skills base is developed. I understand his point. We will need to look carefully at the impact on jobs and manufacturing in Wales.

Mr. Dafydd Wigley (Caernarfon): Is the Secretary of State aware of the dismay that he caused the manufacturing industry last night when he let slip that Wales would have to await the next spending review before it had any chance of any additional money by way of matched funding of objective 1 money from Europe, and that today's statement from Downing street, a recycled fudge on the issue, shows that we will have to rely on existing cash in the Welsh block, which means cutting health or education spending, to take up the objective 1 money that is available? Is it not clear that, as the Secretary of State has failed to deliver the goods, the only option for the Welsh electorate is to keep the pressure on new Labour by denying it an overall majority in the Assembly elections tomorrow?

Mr. Michael: What is clear is that the only way in which the leader of Plaid Cymru can aspire to success is to purvey doom and gloom and to talk Wales down. He is the one who said that we would not achieve objective 1 status, but we did. Let no one take his words seriously in future.

The right hon. Gentleman should be aware of the dismay that was felt in the hearts of people throughout Wales when it was suggested that he would have a number of seats in the Assembly—Plaid Cymru might have some effect in undermining confidence in Wales throughout the world. He should look at the comments by industrialists and employers, who say that they want a Labour lead in the Assembly because such a lead will be good for business. It will be good for Wales, for jobs and for opportunity for people throughout Wales.

Mr. John Smith (Vale of Glamorgan): Does my right hon. Friend agree that the best way in which to improve the prospects of the Welsh manufacturing industry from tomorrow is for right hon. and hon. Members to work very closely with newly elected Members of the Welsh Assembly to ensure that we achieve the best possible deal for manufacturing industry in our country? The best way in which to achieve that is, of course, to ensure that, tomorrow, we get as many Labour candidates elected as possible, especially candidates of the calibre of Jane Hutt in the Vale of Glamorgan.

Madam Speaker: Order. If I did not know that there was an election, I know now. Let us get back to the question.

Mr. Michael: My hon. Friend is right to point to the need for the Assembly to work in partnership with the House of Commons. He has been an example in the way in which he has worked with the potential Assembly Member for his constituency. I am sure that they will succeed in delivering for that constituency, as Labour Members will throughout Wales.

Dr. Liam Fox (Woodspring): The Labour party has now had stewardship of the Welsh economy for two years and manufacturing in Wales is in a state of decline. The most worrying thing is that, when it comes to manufacturing industry, business surveys show lower confidence in Wales than in any other part of the UK.

Can the Secretary of State tell us why that should be? Is the situation not perfectly summed up in a typical quote in the *Western Mail* on 19 April, which said:

"We depend upon manufacturing industry. It is important to us. We're not being well served by the Government."

I quote not from a captain of industry, but from a Labour Member, the hon. Member for Wrexham (Dr. Marek).

Mr. Michael: I am not surprised that the hon. Gentleman was unable to quote a captain of industry in support of the Conservative party; they are supporting Labour. I can say only that, for the hon. Gentleman, a Scot who was a member of a Government who gave us boom and bust and the destruction of the Welsh economy over 18 years, to speak about Wales, is barefaced cheek. GDP in Wales is expected to rise by 0.1 per cent. this year and manufacturing output is expected to decline by 2.9 per cent. this year but bounce back with 4.3 per cent. growth next year. That is the whole point. With the co-operation of the manufacturing industry, we are trying to develop a strong base, high productivity and high skills in a strong Welsh economy which makes use of the strong economy that has been achieved by my right hon. Friend the Chancellor.

Aerospace Industry

3. **Mr. David Borrow** (South Ribble): If he will make a statement on the contribution of the aerospace industry to the Welsh economy. [82087]

The Secretary of State for Wales (Mr. Alun Michael): The aerospace industry is enormously important to Wales and employs some 13,000 people. In recent times, I have visited British Aerospace, Raytheon in Deeside and General Electric at Nantgarw, where I launched the modern apprenticeship target for Wales, and we have also seen confirmation of the continuation and expansion of jobs at, for instance, RAF St. Athan and British Airways. The aerospace industry is high on our agenda of industries with which we need to work.

Mr. Borrow: Over the years, I have had the opportunity to visit a number of airbus plants in the United Kingdom, including those in Bristol and Broughton, which employ many people from Wales as well as from Lancashire, many from my constituency.

Will my right hon. Friend join me in welcoming the success of the airbus project, which means that the airbus is now outselling Boeing in the international market and employing thousands of extra workers? Not only are new jobs being created in England and Wales but, during the next few years, jobs will be created in Scotland in producing the airbus. Is not that an example of the way in which partnership, not only across Europe but between the different parts of the United Kingdom, can bring success to the British and the European economy?

Mr. Michael: I agree with my hon. Friend. It is important that, between Wales and Scotland and the regions of England, we see joint working on projects that can bring prosperity to all parts of the United Kingdom. I am keen to see co-operation between the Welsh Development Agency and the North West regional development agency which the Government have put in place. I recently visited the plant to which my hon. Friend referred at Broughton with my hon. Friend the Member for Alyn and Deeside (Mr. Jones) where I saw the confidence and high quality of the work force and the management team.

Yes, we need to work together across boundaries, but I am sure that my hon. Friend will forgive me for saying that my priority will be to ensure that we have the strongest possible development within the aircraft industry in Wales.

Mr. Owen Paterson (North Shropshire): The pound has risen relentlessly this year. Yesterday, it went over FF10, nudging DM3. What impact will that have on the future prospects for aerospace products made in Britain?

Mr. Michael: That gives a challenge to the British aerospace industry, as it does to other parts of manufacturing industry, a point made by my right hon. Friend the Member for Llanelli (Mr. Davies) a few moments ago. I hope that the hon. Gentleman will recognise the importance of the Government's policies in creating stability and bringing an end to boom and bust. This morning, Sir John Harvey-Jones said that a Labour-run Assembly in Wales will provide the blend of stability and innovation that Wales needs. That is what is good for industry.

Mr. Roy Beggs (East Antrim): I welcome the Secretary of State's positive statement on the contribution of the aerospace industry to the Welsh economy, but does he also recognise that we in Northern Ireland are dependent on the stable and high-quality jobs that are provided by Shorts? Will he assure us that—once he is confirmed as First Secretary of the new Assembly, and in recognising the value of collaboration throughout the industry and in all regions of the United Kingdom—he will continue to promote such collaboration?

Mr. Michael: Yes, I shall promote it, very much indeed. I am also grateful to the hon. Gentleman for his remarks. I believe that the advent of the National Assembly for Wales—and of the Northern Ireland Assembly and the Scottish Parliament—will strengthen the United Kingdom and our ability to work together for the benefit of everyone everywhere in these islands. One of my first actions after becoming Secretary of State for Wales was to visit Belfast and to talk to people from all parties about the action that we might take together, such as on tourism. As a group of small countries on Europe's periphery, we not only have much to learn from each other, but may together promote many common concerns—recognising the global nature of some concerns, such as the aerospace industry, which we want to be successful, thereby benefiting all parts of the United Kingdom.

Health Authorities (Allocations)

4. **Ms Jackie Lawrence** (Preseli Pembrokeshire): What was the average percentage increase in the Welsh Office allocations to Welsh health authorities for 1999–2000. [82088]

The Secretary of State for Wales (Mr. Alun Michael): This year, we are providing almost 9 per cent.—£168 million—extra for hospital and community health services in Wales, which is on top of the £18 million waiting list money, which represents an increase of 1.3 per cent. The average increase in general medical services is 10.5 per cent; and, in drugs prescribing, it is 8.8 per cent. In my hon. Friend's own area—which is covered by the Dyfed Powys health authority—discussions are being held on the specific amount of money to be provided this year for health authorities. However, I am able to tell her that, this financial year, the increase for Dyfed Powys is 9.7 per cent., which is £23 million.

Ms Lawrence: I welcome the Secretary of State's statement, particularly the part of it applying to my own area of Dyfed Powys. May I add that, yet again, the facts have proved "Rottweiler Rod" wrong? Does my right hon. Friend agree that one of the NHS's remaining problems is the fragmentation caused by the previous Government's policies—which, unfortunately, are taking time to correct? Does he also agree that it is so important for health units—particularly those with local authority social services departments—to work together?

Mr. Michael: My hon. Friend is absolutely correct. In four of the five areas in Wales, we inherited an NHS with deficits. It has also become clear that the internal market, fundholding and the previous Administration's other health policies created funding and service problems that will take some time to resolve completely. I am absolutely committed to creating a single NHS in Wales—so that, in each area, acute services, mental health services and community health services are provided in an integrated manner, and so that the public and those working in the NHS may have complete confidence in our health service.

Mr. Cynog Dafis (Ceredigion): Does the Secretary of State realise that the instructions that he has given to the Dyfed Powys health authority, and the trusts therein, to make provision to repay debts previously incurred because of deficits is causing them to come up with bizarre options, such as the centralisation of specialisms away from Bronglais general hospital? Does he agree that any such centralisation is bound to lead to a serious decline in accessibility and in quality of provision? Does he also agree that the National Assembly will have to make an early commitment to the survival and flourishing of Bronglais as a district general hospital, and to provide the type of funds that will be necessary to give that guarantee?

Mr. Michael: The hon. Gentleman misquotes the instruction, which was to start repaying and certainly not to make immediate total repayment. I have just mentioned the history that led to our having an NHS in which four of the five units have serious deficits. Although that is a totally unreasonable and unacceptable way of running the

health service, it is what we inherited. The hon. Gentleman knows well the commitment that I gave to Bronglais general hospital and on services in Ceredigion, and that I have given the same commitment on services in Llanelli, where there has been another set of rumours. There is no threat to the accident and emergency units in either of those places.

The sets of rumour and counter-rumour currently flowing around are bizarre. However, I should expect to have the hon. Gentleman's co-operation in reinforcing the reassurances that I have given personally in my visits—so that the rumours might be knocked on the head, and the stock-take that I have started may be used by the Assembly, in its early days, to ensure long-term stability for the NHS and the confidence in the NHS of patients, communities and NHS staff. They should all be able confidently to place their confidence in the NHS in Wales.

Mr. Ted Rowlands (Merthyr Tydfil and Rhymney): I also welcome my right hon. Friend's announcement of an increased allocation. He will be well aware of the considerable capital costs in our hospitals, particularly in North Glamorgan NHS trust, and the urgent requirement for capital expenditure. In his new role, will he carry on the urgent work so that we have a full and proper hospital service fit for the 21st century in north Glamorgan?

Mr. Michael: I am happy to promise to my hon. Friend that I shall concentrate on delivering the service that the people of Wales expect from the NHS and on working with colleagues in the National Assembly to put in place a plan as a result of the current stocktaking to ensure that everybody can be confident about the long-term future. There has been too much swinging from one project to another and one extreme to another. We need dependable long-term planning. I know that my hon. Friend needs it for his area; we need it for every part of Wales.

Dr. Liam Fox (Woodspring): The figures on allocations, or fine words, will fool no one working in the NHS in Wales. Doctors and patients in Wales know that, to fiddle the figures, patients are not being put on waiting lists or on waiting lists for waiting lists in case their illnesses embarrass the Government. That may please the Government statisticians, but it will not help any patients, who know that they are waiting longer between seeing their GP and being treated by a consultant. Is not the simple truth that the Government put public relations before patients and put the spin before the sick?

Mr. Michael: The hon. Gentleman has obviously been working through the night on that little piece of spin. The simple fact is that the Conservative Government starved the NHS in Wales of the resources that it needs. We are increasing the resources available by 9 per cent. this year, as I have said. I gave facts about real money going to the NHS. I also pointed out the chaos that his party left behind. He and his Government have a great deal to answer for in Wales.

Ann Clwyd (Cynon Valley): Given the high priority that Labour Governments always give to the NHS, when my right hon. Friend becomes the leader of the Welsh Assembly at the end of this week will he look in particular at the state of the mental health services in north Glamorgan? There are no high-dependency beds or day care facilities and there is a bad ratio of psychiatric community nurses to patients. I am sure that he will want to put that right as soon as possible.

Mr. Michael: My hon. Friend makes a good point. One reason why I want each of the trusts in Wales to provide acute mental health and community health services is to ensure that those services are integrated and balanced for every region of Wales. In the Cynon valley and Merthyr, the two community health councils will give my hon. Friend's constituency a voice in the provision of NHS services. That will put a laser-like focus on the provision of the services that she has asked about. I shall look to her, with her NHS experience, to help in ensuring that we provide the right services at the right time in every respect, including mental health services.

Minimum Wage (Clothing Industry)

5. **Mr. Nick St. Aubyn** (Guildford): If he will make a statement about the effect of the minimum wage on the numbers employed in the clothing industry in Wales. [82089]

The Secretary of State for Wales (Mr. Alun Michael): I am not aware of any impact on the numbers employed in the clothing industry. However, it is clear that 109,000 people in Wales will benefit from the national minimum wage. I am proud to be part of a Labour Government delivering on the pledge of a national minimum wage—something to which the Labour movement has aspired over the past 100 years.

Mr. St. Aubyn: When I asked a similar question two years ago, I was told that it was a disgrace that almost 60,000 workers in Wales earned just £2.50 an hour. We now know from a written reply from the Welsh Office yesterday that since Labour came to power, a net total of 1,300 people working in the clothing industry in Wales have lost their job. Is it a success or a failure of his Department's policy that so many people in Wales are going from a low wage to no wage?

Mr. Michael: There we have another bit of synthetic rhetoric from the Opposition. The hon. Gentleman refers to job losses before the introduction of the minimum wage, which he cannot blame on the minimum wage. The minimum wage will provide a quality of income that some of our poorest-paid workers have not had in the past. It will create a level playing field, and put money in the pockets of people who have been deprived of a decent income over the years. The hon. Gentleman should look at the policies of the previous Conservative Government and their impact in recent years.

Mr. Paul Flynn (Newport, West): Is not the reality that tens of thousands of people in Wales who have suffered insultingly low and unfair wages for many years have at last been given a reasonable level of wages through this great success of our Labour Government? Will my right hon. Friend go further and link the level of the minimum wage with another level to guarantee that it increases in line with inflation? Could I suggest that the level of the minimum wage is linked to the level of pay of Members of this House and of the Welsh Assembly?

Mr. Michael: As always, I congratulate my hon. Friend on his ingenuity. There have been some disgraceful situations as a result of the lack of a minimum wage, such as an advert for a position in the private security industry which paid £2.50 per hour, with own transport and own dog essential. Such disgraceful situations will end following the introduction of the minimum wage. Certainly the increased incomes of 109,000 people in Wales will help the economy of Wales as a whole.

Welsh Assembly (Ministers' Pay)

7. **Mr. Lembit Öpik** (Montgomeryshire): If he will introduce performance-related pay for Ministers in the Welsh Assembly. [82091]

The Parliamentary Under-Secretary of State for Wales (Mr. Jon Owen Jones): No, but future arrangements will be a matter for the National Assembly.

Mr. Öpik: I am confused, and perhaps the Minister can help clarify an apparent contradiction. If he and the Government support the principle of performance-related pay for teachers, why do they not support it for Members and Ministers of the Welsh Assembly?

Mr. Jones: I am not surprised that the hon. Gentleman is confused by a typically silly Liberal election gimmick. Before he advocates that gimmick for the Welsh Assembly, he should consider its effect if it were applied here. If we were to assess the performance of Liberal Democrat Members of Parliament, we might find that, since they have achieved nothing since Lloyd George, the Exchequer would save a great deal of money.

Mr. Nigel Evans (Ribble Valley): Should not the performance of Labour Ministers in this House since 1997 be looked at carefully by the people of Wales? So many have been let down decisively by the Government in the past two years, whether they be school children, pensioners or students. If we are talking about performance-related pay and if Labour forms the Government in the Welsh Assembly, Labour Members' pay should be cut—certainly nobody else's. What percentage turnout in the election for the Assembly tomorrow will the Minister deem to be successful? If that turnout is below the 50 per cent. turnout for the referendum, will not the £2 million that the Government have spent on advertising the Assembly elections have been wasted, when it could have been spent on services for the people of Wales?

Mr. Jones: I am content for the electorate in Wales to judge the performance of Labour Ministers, and to compare that performance with that of Opposition spokesmen. I am sure that the opinion polls will be reflected tomorrow, when we will see what the people of Wales think about the performance of Labour Members in comparison with the pathetic performance of the ranting few on the Opposition Benches.

Minimum Wage

8. **Mr. Huw Edwards** (Monmouth): What estimate he has made of the impact of the national minimum wage on the average income in Wales. [82092]

9. **Mrs. Diana Organ** (Forest of Dean): What estimate he has made of the impact of the national minimum wage on the average income in Wales. [82093]

The Secretary of State for Wales (Mr. Alun Michael): No estimate is available of the impact of the national minimum wage on the average income in Wales, but we know that 109,000 people in Wales will benefit from the national minimum wage, and that is good news for the economy of Wales as a whole.

Mr. Edwards: Does my right hon. Friend agree that the national minimum wage will be one of the Government's lasting achievements and that, combined with the working families tax credit, the increases in child benefit and the 10p starting rate of tax, all of which were opposed by the Conservative party, it will make a significant difference to the incomes of people in Wales?

Mr. Michael: Yes, indeed. Combating poverty is a major priority. It is good to see that people such as small business representatives now see the value of a national minimum wage.

Mrs. Organ: Does my right hon. Friend agree that the measures that we have introduced to raise the income of 109,000 people in Wales are a refreshing change from the previous Government's policies, which were an attempt to promote Wales as a low-skill, low-wage area?

Mr. Michael: Yes, indeed. If we can end dependency, get people into work and improve their skills and the quality of jobs available to them, that will be a test by which I will be glad to be judged when we can see the success that the first four years of the National Assembly for Wales will have brought about.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [82115] **Mrs. Linda Gilroy** (Plymouth, Sutton): If he will list his official engagements for Wednesday 5 May.

The Prime Minister (Mr. Tony Blair): This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Mrs. Gilroy: In this Red Cross week, will my right hon. Friend join me in recognising the important humanitarian work of the Red Cross Society, both here and abroad? The Red Cross and the Red Crescent are well known for their work providing care and comfort in crises. Is not their work to support international humanitarian law, and especially

the Geneva conventions, also very important? By his flagrant breach of that law, Milosevic has put himself outside the pale of civilised society. Will my right hon. Friend do everything that he can to promote the Geneva conventions, both in seeking a solution to the Kosovo crisis and in the future?

The Prime Minister: I am happy to pay tribute to the work of the Red Cross. It is doing magnificent work in the Balkans and the volunteers are using every bit of energy that they can to help people there. We have given about £2.5 million to the Red Cross, and a total of £40 million in humanitarian assistance. I know that my hon. Friend would want me to mention also the humanitarian work of the British armed forces to help the refugees, which I saw at first hand. Our effort stands comparison with that of any country in the world.

Mr. William Hague (Richmond, Yorks): The Health Secretary denied it yesterday, but will the Prime Minister now admit that the Government did indeed propose to the European Union raising the maximum working hours of junior hospital doctors from 56 to 65 a week?

The Prime Minister: On the contrary, under this Government, the number of junior doctors who work unacceptably long hours has fallen. When we came to office, 6,500 junior doctors worked more than 56 hours a week; we have cut that number to 4,800. Under our proposals, no doctor will be asked to work more hours than at present.

Mr. Hague: The facts are plain. The Government are proposing a higher hours limit. The Health Secretary denied it yesterday, and today the Prime Minister says, "On the contrary," but what is this minute of the Council meeting in Brussels, dated 15 April 1999, saying:

"The UK delegation is proposing the following text . . . 'an average of [65] hours a week during the first eight years . . . and an average of [60] hours a week for the remaining seven years'."?

Only this Prime Minister would claim that an increase from 56 to 65 is a reduction. Can he confirm that what the Government are proposing would also last for 15 years?

The Prime Minister: No, not merely do I not confirm it, I deny it. We are reducing the number of hours that doctors work. There is a transitional period; the right hon. Gentleman has mentioned 15 years. That is necessary, since we must recruit more doctors, and training for some of the specialties takes 15 years. However, as a result of what we are doing, junior doctors' hours will be reduced. They are being reduced now.

Furthermore, we are going to increase the numbers recruited by 7,000 over the next three years, and we are increasing the numbers in training by 20 per cent. So, as a result of this Government, by the end of our first term in office, junior doctors will be working fewer hours and we will have recruited more doctors.

Mr. Hague: If it is so good for junior doctors, why does the British Medical Association say that it is a "slap in the face" for doctors and

"a betrayal of the patients"?

The Prime Minister's position in answering those questions is to deny the truth, except the point that it will happen for the next 15 years—which he has now admitted.

The truth is that, the greater the claims that the Government make about the health service, the less they deliver. They said that they would reduce waiting lists, and they went up. Now, there are twice as many people waiting to go on the waiting lists. They claim that they are trying to reduce junior doctors' hours, and those hours are increased by the document. Is not the BMA right to say that that is a betrayal of doctors? Is it not a betrayal of all the promises that the Government made on health?

The Prime Minister: No. Let me repeat what I said to the right hon. Gentleman, and let us see whether this time he can understand. Junior doctors' hours are being reduced. As for the working time directive, his party is opposed to it. He must now be saying that he is in favour of it, but he has been against it all the way through. As for the numbers of people going into the health service, we are increasing those, too—more doctors, more nurses. And we are putting an extra £21 billion into the health service. Are the Conservatives in favour of that extra £21 billion? We do not know.

Mr. Hague: More hours.

The Prime Minister: Let the right hon. Gentleman take it one more time. Under this Government, junior doctors are working fewer hours. That is what we have delivered—better than at any point when the Conservatives were in office. All that questions on the health service from the Conservatives reveal is that, on that as on so much else, they have not the faintest idea what they are talking about.

Ms Oona King (Bethnal Green and Bow): Does the Prime Minister agree that one of the most precious things in this country is the right to free speech? Is not the only thing more precious the right to life? Given that, and in the light of the recent atrocities in my constituency and elsewhere in London, will he look at tightening the laws governing incitement to racial hatred so that individuals—or groups—who are guilty of it face penalties, and, in this country, the only thing that we nail is intolerance?

The Prime Minister: It is precisely for that reason that we are considering how we extend the law, in order to ensure that incitement to racial hatred is a crime. We shall do everything that we can to make it clear that, although we live in a tolerant democracy, we shall be intolerant of racial prejudice and racial bigotry. Wherever these people rear their ugly heads, the forces of democracy will be there, ready to deal with them.

Mr. Paddy Ashdown (Yeovil): The Prime Minister has told us this week that he wants a society that is tolerant at home and compassionate abroad. How does he believe that he is contributing to that by pushing through this House a piece of Tory legislation, the chief characteristic of which is to seek to deter asylum seekers by treating them with a mixture of delay, penury and injustice?

The Prime Minister: I do not accept that at all. The aim of the legislation is to reduce the time spent dealing with asylum claims so that, by April 2001, the initial claims for asylum should be dealt with inside two months, on average, and any subsequent appeal may be handled within four months. Anyone who has studied the present

asylum system knows that it is not working properly. There is a huge backlog of cases, and proper, genuine asylum seekers often do not get the treatment that they need. We are changing the law precisely to ensure that genuine asylum seekers are treated properly.

Mr. Ashdown: If the aim of the legislation, and of the Government, is to reduce the queue, they are failing comprehensively, as the queue has got longer and longer under this Government.

Let me put the following to the Prime Minister: the denial of social security benefits to asylum seekers is "inhumane". That statement is not mine—it was made by the present Home Secretary at the last election. If it was true then, why is not true now? To put it another way: does the Prime Minister believe that he is fulfilling the great tradition of this country—that of showing generosity and compassion to those who seek refuge on our shores—by providing an asylum seeker with an allowance for her child of 50p a day?

The Prime Minister: First of all, the right hon. Gentleman is simply wrong about the facts. We opposed the Conservatives' withdrawal of all benefits to asylum seekers. That is not the process that we are putting in place now. What we have done is to say that, if we want to make a fundamental change, we have to make the system quicker and more effective.

There has been a rise of 42 per cent. in the number of cases, even while the backlog remains. The right hon. Gentleman says that the backlog is getting worse: it is, but that is precisely why we need the new legislation to change the system. When the new system is in place, we will be able to deal with asylum claims better, more effectively and more quickly. Genuine asylum seekers will be made welcome, but we do not want claims to be stacked up for years and years—as they are at present—and then not dealt with properly. It is no use the right hon. Gentleman giving that display of outrage if he is not prepared to confront the facts and understand that, without reform, the system does not help genuine asylum seekers—indeed, it harms them.

Mr. Chris Pond (Gravesham): Given that the new deal is intended to provide lasting and worthwhile employment, does my right hon. Friend agree that it will be of no help to the Conservative party in finding a new chairman, now that Mr. Portillo has refused the job?

Madam Speaker: Order. That is not the business of the Prime Minister and is rather a wasted question.

Q2. [82116] **Mr. Dominic Grieve** (Beaconsfield): Will the Prime Minister please explain how the democratic rights of my constituents in Beaconsfield have been enhanced by Scottish devolution? Under the Radioactive Substances Act 1993, the disposal in Colnbrook in my constituency of radioactive waste coming from Scotland is subject to authorisation by a United Kingdom Minister. However, after 1 July, it will be subject to authorisation by the First Minister of the Scottish Parliament. I will not be able to ask a parliamentary question of that person, and the House will not be able to hold him to account in relation to his duties in this country under the 1993 Act.

The Prime Minister: The hon. Gentleman is wrong. If radioactive material comes through England, it is subject to the English authority. In addition, I believe that devolution will benefit all the people of the United Kingdom. Before devolution, people faced a choice between the status quo—which was not accepted in places such as Scotland and Wales—or separatism. Now, people have the proper choice of devolution, and I believe that that will be supported in England, as well as in Scotland and Wales.

Q3. [82117] **Mr. Malcolm Savidge** (Aberdeen, North): Further to the last question, let me say that we are on the eve of the completion of John Smith's unfinished business—the re-establishment of a Scottish Parliament after nearly three centuries. That is the settled will of the Scottish people as demonstrated at the referendum. Amid the short-term problems of politics, will not the first-ever democratic election of a Scottish Parliament be a truly historic event?

The Prime Minister: The Scottish Parliament was called unfinished business by John Smith. There is no better expression of his values and love of democracy than the Scottish Parliament. It offers us the chance of an enhanced and strengthened United Kingdom, in which those things that are distinctively Scottish can be handled in Scotland. Where it is right to co-operate and work in partnership, we shall do so within the United Kingdom.

Mr. Bob Russell (Colchester): The whole House will have been appalled by last week's bomb outrage in Soho. I regret that two of the three people who died—Andrea Dykes and John Light—were constituents of mine. On behalf of the House, may I invite the Prime Minister to send condolences to their families and best wishes to all those who were injured, including Julian Dykes, who does not yet know that his wife, who was four months pregnant, was killed?

We cannot comment specifically on the case, because someone has been charged with the murders. May I suggest, however, that security cameras have an important part to play in detecting and preventing crime?

The Prime Minister: On the last point, that is part of the reason why we have committed an extra £150 million for closed circuit television cameras, which do a tremendous job as we try both to cut crime and to identify the people who commit crime.

In his first point, the hon. Gentleman spoke for the whole House. I certainly send my heartfelt sympathy to the families of those people who died as a result of a callous and brutal act. They and their families will have the support, thoughts and prayers of the whole House.

Q4. [82118] **Mr. Richard Burden** (Birmingham, Northfield): Will my right hon. Friend liaise with my right hon. Friend the Secretary of State for Education and Employment on the new deal? It seems that there is great difficulty in filling some jobs being advertised in some parts of the country. Those jobs are not attracting applications, even though they require no special qualification. My attention was drawn to *The Daily Telegraph* yesterday, which noted that the Conservative

party is advertising for candidates, but finding great difficulty in receiving any applications. Can the Prime Minister offer any advice?

Madam Speaker: Order. The question relates to the new deal.

The Prime Minister: All I can say is that the new deal applies only to permanent jobs and would not therefore be suitable.

Q5. [82119] **Mr. Philip Hammond** (Runnymede and Weybridge): After the fiasco over junior doctors' hours, does the Prime Minister recall that his Government made a pledge to the nurses in February that this year's pay settlement would be met in full from 1 April? Is he aware that many nurses received no additional pay in their April pay packets and that many NHS trusts are having great difficulty in financing the unfunded element of the nurses' pay settlement? What is he going to do about that?

The Prime Minister: On junior doctors' hours, we are decreasing hours, not increasing them. That is the fact. Secondly, on nurses, we are the Government who have increased nurses' pay by more than at any other point in the past 20 years. Thirdly, we are funding the pay increase out of the additional £21 billion described just a few months ago by the hon. Gentleman's Front-Bench colleagues as reckless and irresponsible. A lot of water has passed under the bridge since then, but, as a result of what the Government are investing in the health service, there are more doctors and more nurses, and, for the first time ever, starting nurses are receiving a decent pay rise.

Q6. [82120] **Mrs. Diana Organ** (Forest of Dean): Is my right hon. Friend aware of the transfer of 500 jobs from the Xerox plant in Mitcheldean in my constituency to Dundalk in southern Ireland, which may lead to the loss of 100 further jobs in local subsidiary companies? What support can the Government offer to help those 600 workers to find future employment, and what assistance can they give to local economies, such as that of the Forest of Dean, to sustain, improve and develop the vital manufacturing sector?

The Prime Minister: I know that there is a task force in the area, which is helping those people who are going to lose their jobs. Although 500 jobs are to be transferred from Gloucestershire, 1,750 remain and I understand that a further 250 are being created. Obviously, I share my hon. Friend's concern about any changes that are made, but those are commercial decisions for the company. I should point out that, fortunately, the UK remains a very attractive location for overseas companies: a record 600 projects were attracted here last year, creating some 46,000 jobs. Of course, during rationalisation and change, some jobs will go and some stay, but the difference under the Labour Government is that we are trying to put in place measures that will help people to find new jobs when, unfortunately, their jobs are lost.

Mr. William Hague (Richmond, Yorks): Whose fault is it that the Prime Minister's own district council, Sedgefield, has one of the highest council taxes in the country? Is it the fault of the Labour council, or of the Labour Government?

The Prime Minister: I am delighted to say that, as evidenced by the huge vote that we always get for Sedgefield's Labour district councillors, we enjoy the full support of all the local people.

Mr. Hague: We are talking about the Prime Minister's constituency, where something is wrong and it is nobody's fault. Is it not true that Sedgefield has the 13th highest council tax in band D, at £967? The right hon. Gentleman is in good company on the Government Benches, with Redcar at £1,033 and Hartlepool at £978—no wonder the right hon. Member for Hartlepool (Mr. Mandelson) always keeps a posh house in London. Why do people who live under Labour councils have to pay high council taxes for poor services, incompetent administration and Labour councillors, a string of whom have fiddled the books?

The Prime Minister: The right hon. Gentleman has again got his facts wrong: the average council tax increase is lower in Labour councils than in Conservative councils; Conservative councils have higher than average increases in council tax; and the average council tax per dwelling is lower in Labour areas.

Mr. Hague: And is it not true that the highest council taxes are all in Labour authorities, except for those in Liberal-controlled Liverpool, which has the highest of all? Is it not true that, in Blaenau Gwent, the former Labour mayor has been convicted of fraudulent expense claims; that, in Lewisham, the Labour chairman of housing was sentenced to 60 days in Brixton prison; and that, in Doncaster, four Labour councillors have gone to jail and the man whom the Prime Minister sent in to clean it up has now himself been arrested? Is it not the case that they are now the only people left in the Labour party who have genuine convictions? Is it not the case that if people want low council taxes, honest local government and good services, they have to vote Conservative tomorrow?

The Prime Minister: No. I have to point out, not only that Labour councils have lower than average increases in council tax, but that all that the Conservatives do is take band D properties, when only 30 per cent. of properties are band D. If we take all properties, we see that people pay lower council taxes in Labour areas than in Conservative ones; moreover, they get better services—better education services and better local government services.

As for the respective merits of candidates, I can do no better than to quote the sole Conservative candidate for Rutland council, Mr. John Duckham, who, when asked why there were not many Conservative candidates in Rutland, replied:

"nobody came forward. It was not as though there were just no suitable candidates; we have long put behind us scruples about endorsing people purely on the grounds of their suitability."

I think that we stand rather a good comparison.

Ms Jenny Jones (Wolverhampton, South-West): Today, we commemorate the 50th anniversary of the Council of Europe. Does my right hon. Friend agree that

the values for which the Council of Europe stands—democracy and human rights—are as relevant to Europeans today as they were 50 years ago? Does he also agree that vigilance is needed if those values are to be safeguarded and future generations of Europeans are to benefit from democracy and human rights?

The Prime Minister: It is right that the Council of Europe stands for those values, and we are fighting for them in Kosovo. It is worth pointing out that, since the second world war and the formation of the European Union, there have been tremendous strides forward within the EU in peace, prosperity and security. *[Interruption.]* I believe that to be the case. I think that Europe and the European Union have stood the test of time pretty well over the past 50 years. I think that the values of justice and democracy are the very values that we should be advancing now for south-east Europe and the Balkans.

Q7. [82121] **Mr. Robert Walter** (North Dorset): The Prime Minister will recall, that two weeks ago—not for the first time this year—I asked him whether he could give the House a date on which beef exports would be resumed. Yet again, he did not answer the question. Later that day, the Minister of Agriculture, Fisheries and Food, in answer to a question in a debate, said that the Government were working to a timetable. Will the Prime Minister tell us where in that timetable is the date for the resumption of beef exports?

The Prime Minister: As I said to the hon. Gentleman last time, there had to be an inspection process first. I told him that an invitation was extended to the Commission. The Commission came between 12 and 16 April. Its representatives have gone back and they will prepare a report for the Commission. Once that report has satisfied the Commission that all the various obstacles have been overcome, a date will be submitted by the European Commission and agreed by us. That is the procedure that has to be gone through.

I repeat to the hon. Gentleman—I think that I said this to him last time—that I do not accept the idea that we should take lessons from the Conservative party about BSE. We have had to sort out the vast multi-billion pound mess that we inherited from the previous Conservative Government.

World Bank and IMF (Reform)

Q8. [82122] **Mr. David Chaytor** (Bury, North): What proposals he has for the reform of the World bank and the International Monetary Fund.

The Prime Minister: The United Kingdom has put forward proposals for a far-reaching reform of the international financial architecture to promote greater transparency. Those proposals are designed to develop improved mechanisms for crisis prevention and resolution and to minimise the human cost of financial crises. Together with the initiatives that we are taking forward at the International Monetary Fund and the World bank, for debt relief and poverty reduction, they amount to a substantial package of measures. I hope to make progress on all those matters at the June Cologne summit.

Mr. Chaytor: I thank the Prime Minister for that reply and congratulate the Government on the international lead that they have given on this reform process. Does my right hon. Friend agree that, in the past, too often the International Monetary Fund particularly has been the problem and not the solution in times of financial crisis? Does he agree also that an external evaluation system is needed for the IMF to improve its scrutiny and accountability, such as currently applies in the World bank?

The Prime Minister: The UK has been a proponent of greater transparency in the IMF. I believe that the IMF, particularly under Michel Camdessus, has done excellent work in many parts of the world. However, the most important single problem that we face is constructing the financial architecture, both in greater accountability and transparency of national financial systems, that allows us to be able to deal with financial crises in a much better way.

That is for the long term. For the short term, we have to ensure that there are sufficient funds available to help any country through a short-term liquidity crisis. We support reforms in the IMF, but I think that further reforms are necessary to make the system work.

Engagements

Q9. [82123] **Mrs. Teresa Gorman** (Billericay): Will the Prime Minister confirm, so that the people in this country really understand, that, once the Scots are to be deciding their own affairs in their own Parliament, the same number of Scottish Members will continue to come to Westminster to poke their nose into English affairs? Incidentally, most of those individuals are in the right hon. Gentleman's Government. Will he turn his mind to being fair to the rest of the population and tell us why it has not crossed his mind that we should also have a Parliament for England?

The Prime Minister: I do not know whether the hon. Lady is outlining Conservative policy. One can never be sure. It is the case that devolution provides the chance for the United Kingdom to be strengthened for the 21st century. I believe that both the separatists, who want to wrench Scotland and Wales out of the United Kingdom, and those who advocate the status quo are the true enemies of the Union and of the United Kingdom. The best way forward is to have devolution and to make sure that, in future, those things that are distinctively Scottish can be decided in Scotland.

Q10. [82124] **Mr. Vernon Coaker** (Gedling): I congratulate my right hon. Friend on his recent visit to the Balkans. I, too, recently visited the camps there under the auspices of UNICEF. Does my right hon. Friend agree that, once we have provided immediate aid in the camps, one of the most important things that we need to do is to support those people in finding their brothers, sisters, mothers, fathers and other relatives? So many of the refugees have been split from those whom they love. As well as supplying immediate aid, we must reunite them with their relatives and friends.

The Prime Minister: Again, we are playing a leading part in trying to make sure that families are reunited. We

are providing as much assistance as we can to people on the ground. As I said earlier, the British troops are playing a marvellous role in that. We have made it known that we are prepared to do more to help refugees in this country. However, the refugees to whom I spoke were determined that we should carry on with our action until we succeeded. I know that my hon. Friend will support that. The only thing that will ultimately secure the future of those people is for them to be allowed to return to Kosovo in peace. That is why we must intensify our action, we must make sure that the NATO demands are met, and not for one instant must we let up until those demands are met.

Kosovo Refugees

3.31 pm

Sir Norman Fowler (Sutton Coldfield) *(by private notice)*: To ask the Secretary of State for the Home Department if he will make a statement on the Government's policy concerning refugees from Kosovo.

The Secretary of State for the Home Department (Mr. Jack Straw): As I explained to the House at oral questions last week, the Government's priority, along with our European partners, is to ensure that, as far as possible, Kosovan refugees are cared for within the region, so that they can return to their homes as soon as it is safe for them to do so, which is the refugees' overwhelming wish. There has been widespread understanding of the NATO allies' determination not to allow any actions to be taken that might inadvertently facilitate Milosevic's vile and brutal policy of ethnic cleansing.

We have also long made it clear that the United Kingdom stands ready to receive some thousands of refugees from the region on humanitarian grounds and on the basis of criteria agreed with the United Nations High Commissioner for Refugees. The priority of the UNHCR is to relieve pressure on the camps, not least in respect of the most vulnerable and those with family links in the United Kingdom.

We received the first request from the UNHCR on 20 April and agreed it within one hour. The first plane of refugees from Kosovo arrived in the UK at Leeds-Bradford airport on Sunday 25 April. There were 161 refugees, mainly women and children, including three cases in need of medical treatment. The second plane of 169 refugees arrived at East Midlands airport on 29 April.

Reception services for the refugees are being organised by the Refugee Council in co-operation with its partner agencies, Refugee Action, the Scottish Refugee Council and the Red Cross. Local authorities, airport authorities, the immigration service and local medical services are also heavily involved.

No upper limit has been set on the number of refugees that we will take. The UNHCR has now asked us to take more refugees because of the changing situation on the ground in Kosovo, and we are responding. A team of Home Office officials will be arriving in Macedonia very shortly to speed up the registration of refugees for potential evacuation.

The next two flights will arrive at Prestwick airport in Ayr on Sunday 9 May. We expect that there will be a further two flights later next week, building up in the following weeks to between five and seven planes a week, leading to a weekly total of around 1,000 refugees.

Local authorities, through their national association, have been fully involved from the start in the planning and development of these arrangements. Their representative was present at a regular meeting last week when contingency plans to increase flights to between five and seven a week were discussed.

The Refugee Council and its partner agencies are working closely with the Home Office and local government associations to identify sites for further reception centres across the United Kingdom. We are looking at all parts of the UK. A variety of different forms of accommodation will be used as temporary reception centres where the refugees can be housed before moving into more settled accommodation. As the numbers increase, the refugees may need to be housed—for a while, at least—in former service accommodation.

I have already made it clear that local authorities and the voluntary sector will be reimbursed the additional costs that they incur in respect of these arrangements.

Those refugees who arrive here by way of priority from the UNHCR are either being granted permission to enter in line with that of close family members already settled in the UK or, where there are no such close family members here already, they are being given exceptional leave to remain for 12 months, to provide for their protection as requested by the UNHCR. Such status provides a "passport" into the normal benefits system and the right to work. Kosovans who arrive in Britain by their own means will continue to be able to apply for asylum in the normal way.

Finally, I pay tribute to the voluntary sector, to the local authorities and to the British public as a whole for their magnificent response so far to those who have arrived, and to the way in which I know that response will continue.

Sir Norman Fowler: Opposition Members entirely share the commitment to give all possible help and relief to refugees from Kosovo. Many of the families involved have suffered appallingly in the past months. In the light of that and the sheer scale of the problem, it is right that we should approach the plight of the refugees in a spirit of generosity.

Given that, I hope that the Home Secretary will give an assurance that he will keep the House fully informed of policy. Today, every newspaper in the country reported that the Government would take 1,000 refugees a week into this country. Whether that is a change of policy or, as one Home Office official called it, "a change of pace," it was, by any standards, a significant development. In my view, it should have been reported first to the House of Commons.

Against that background, let me put some brief points to the Home Secretary. First, we agree that the priority is to ensure that, as far as possible, refugees from Kosovo are cared for within that region. That is what the refugee families want and, of course, they also want to return to their homes as soon as it is safe for them to do so. I therefore ask the right hon. Gentleman to agree that, in the meantime, that means that all possible assistance should be given, in particular to Albania and Macedonia.

Secondly, may I ask the Home Secretary about the total number of refugees that he envisages coming to this country? Several other countries have put a figure on it, but he has stuck to his formula of "some thousands". He has talked, and did so again this afternoon, of a weekly total of around 1,000 refugees arriving a week, but he has given no indication of how long that process will continue. Is there not advantage in giving the agencies involved, and the public generally, some better guide to the numbers envisaged under his policy?

Further to that point, the Home Secretary will have seen in the press the comments of some local authority spokesmen, which are rather contrary to the impression that he has given this afternoon. They are concerned whether facilities are adequate to care properly for the numbers of refugees that could be envisaged. Is the Home

Secretary satisfied that there will be adequate resources and, in particular, adequate help for the education authorities for the children involved?

In addition, will the families arriving from Kosovo eventually be subject to the regime of the Immigration and Asylum Bill, when it becomes law? In particular, will local authorities still have a duty under the Children Act 1989 to safeguard and promote the welfare of the children who arrive here?

Perhaps most crucially, will the Home Secretary emphasise that action is being taken entirely on humanitarian grounds? In no way can Milosevic use that action to validate his actions in Kosovo, which the whole nation utterly condemns. Our overriding aim remains that those refugees should be enabled to return to their own homes and live in peace and security.

Mr. Straw: I thank the right hon. Gentleman for the tenor of his remarks and for his full support for the approach which my right hon. Friend the Prime Minister and the Government have taken in respect of the priority, which has to be to secure humanitarian relief in the region of Kosovo. As my right hon. Friend said a few moments ago at Prime Minister's questions, let it be clear that the United Kingdom's contribution to the humanitarian relief within that region stands comparison with that of any country in the world.

The right hon. Gentleman asked whether I would keep the House fully informed. Yes, of course I will. I made what turned out to be a full statement at parliamentary questions just a week ago, and I shall continue to keep the House informed. The right hon. Gentleman asked me about the total number of refugees. We thought it wise from the start not to set either a minimum or a maximum limit, because the situation is changing. I believe that our original judgment not to set an upper limit, but instead to say that we stand ready to take some thousands of refugees, was correct because, as we have seen in the past few days, the situation on the ground in Kosovo—and therefore in Macedonia and Albania—is changing all the time.

The right hon. Gentleman asked me about local authorities. I am aware of what one particular local authority spokesperson said, but the truth is that local authorities, through the Local Government Association, have been fully involved in these arrangements from the start, as the right hon. Gentleman would expect. One of their representatives was present at a meeting last Friday, when the contingency plans to take between five and seven flights a week were discussed. It is our judgment that the facilities will be sufficient. As I made clear, as the numbers build up, the arrangements for the initial housing of the refugees will have to be in reception centres and perhaps in service accommodation, given the numbers.

The right hon. Gentleman asked whether the families admitted on UNHCR nomination will be subject to the regime in the Immigration and Asylum Bill when that becomes law. The answer is no, because the regime specified in that Bill is for those who seek asylum status and have no formal leave to remain in this country, other than a pending asylum application. Those who are coming in are being given either leave to enter, consistent with the leave that their close family members have already been given, or exceptional leave to remain. That means that they are automatically passported to social security benefits and to the right to work, and the full obligations of local authorities under the Children Act apply from the start in respect of those children.

Mr. Neil Gerrard (Walthamstow): I very much welcome the step that my right hon. Friend has taken to admit refugees from Kosovo and to give them exceptional leave to remain. In the next week or two, while we are still discussing the Immigration and Asylum Bill, will he reflect on what the position might be? Those who are given exceptional leave to remain will not necessarily be debarred from applying for asylum. If they then applied for asylum, would they still be entitled to the benefits to which they are currently being given access?

Mr. Straw: They would not be deprived of those benefits because they have a pre-existing right to remain in this country in terms of exceptional leave. I can give my hon. Friend that assurance.

Mr. A. J. Beith (Berwick-upon-Tweed): Is the Home Secretary aware that we share his view, because it is the overwhelming view of the refugees themselves, that the primary objective of the policy should be to create safe conditions for those people to return to their homes, and that everything that we do in the meantime must be consistent with that objective but must meet human need as best we can? In that context, does the Home Secretary not recognise that there was considerable concern that, whereas Germany had taken nearly 10,000 refugees, we had taken only some 300? His statement today will be welcomed.

Can the Home Secretary say whether there is sufficient support from the Home Office for our missions in Tirana and Skopje, which will have to facilitate the movement of refugees? Is he satisfied that the UNHCR will have obtained the necessary information for war crimes tribunals and the return of refugees?

Finally, may I return to a point raised by the right hon. Member for Sutton Coldfield (Sir N. Fowler)? Will education authorities be reimbursed for all the relevant education expenditure that they may incur for the children of those refugees?

Mr. Straw: I am grateful to the right hon. Member for Berwick-upon-Tweed (Mr. Beith) and to his party for their support for the overall approach that we have taken. He asked me a number of questions. He mentioned Germany. It must be acknowledged that refugee flows are never symmetrical. The number of refugees who seek access to any individual country in Europe has a great deal to do with historic and geographical ties. It is a matter of history that there are already 170,000 refugees from Kosovo in the German Republic: that is getting on for a tenth of the total population of Kosovo Albanians. Germany was bound to be able to offer many more refugee places because many of the refugees can stay with members of their family, and because there was great pressure in Germany for that country to receive refugees. I repeat what the Prime Minister said in Prime Minister's questions. We must judge the United Kingdom's contribution to humanitarian relief in this country and in the Kosovo region as a whole, and that stands comparison with any other country in the world.

[Mr. Straw]

The right hon. Gentleman asked whether there is sufficient support for the missions in Skopje and Tirana. I pay tribute to the huge effort of officials from the Foreign Office and the Department for International Development. However, they can always do with more support, and we are aiming to give them that by way of the Home Office team that is going out to Macedonia shortly.

Every effort is being put into the investigation of war crimes. On the issue of reimbursement of expenditure by local authorities, the details are being worked out at the moment. I said in my statement that the additional costs of local authorities and the voluntary sector would be reimbursed by central Government.

Ann Clwyd (Cynon Valley): I am sure that there will be overwhelming support from the British people for the Government's decision to admit refugees in larger numbers than previously. The British people are keen on that idea, and many of them have signified that they want to welcome refugees into their own homes.

What is the status of the 10,000 Kosovo refugees who have already come into this country? How many of them have been given refugee status? If it is a small number, can consideration of the other cases be speeded up? When I was in Albania last week, I was told by our embassy that it was granting no visas for refugees to this country. Will my right hon. Friend look into that matter, because I was also told that refugees seeking visas were being sent to Istanbul? That sounds ridiculous, and there must be an explanation. I should be grateful if my right hon. Friend would comment on those two points.

Mr. Straw: I thank my hon. Friend for her remarks. No new decision has been taken to admit larger numbers than have previously been admitted. The original decision that we would take some thousands of refugees was made at the beginning of April. We have merely sought to bring the arrangements consistent with that policy into play.

My hon. Friend asked about the status of the 10,000 or so people who have claimed asylum on the basis that they are from Kosovo and are ethnic Albanians. From recollection—I am happy to write to my hon. Friend—between 3,000 and 4,000 of that 10,000 have been granted either asylum status or exceptional leave to remain, and we are making arrangements to speed up the consideration of the other cases. Consideration of those cases is bound to be more complicated than the granting of exceptional leave to remain to those nominated by the UNHCR. Sadly, although a high proportion of those who claim that they are ethnic Albanians from Kosovo and are in need of protection under the 1951 Geneva convention on refugees, a number of others are not, as claimed, from Kosovo but are either Albanians who have no basis of claim under the 1951 convention or come from other parts of the region. We must ensure that the genuine applicants who meet the criteria are separated from those who are either genuine but do not meet the convention criteria or who are abusive and fraudulent applicants.

My hon. Friend expressed concerns about our post in Albania, and I shall certainly follow those up.

Mr. John Wilkinson (Ruislip-Northwood): When I raised this issue on Monday, the Home Secretary said that the United Kingdom stood ready to accept some thousands of refugees. May I point out to him that, before the exodus began, my local authority sent me a communication stating that it was already under refugee pressures that it could not sustain?

While the British people's hospitality is wholly commendable, may I say to the Home Secretary that this crisis was entirely predictable? From the time when the first bomb dropped, a mass exodus was to be expected. I suggested to the right hon. Gentleman that Her Majesty's Government ought to prepare plans on the scale of the dispositions made to receive refugees from Idi Amin's Uganda, but that clearly has not been done. Will he now reassure us that the efflux will be spread around the United Kingdom, and that hard-pressed London boroughs that can already barely cope will not have to bear an excessive burden?

Mr. Straw: I would like to give the hon. Gentleman the assurance that he seeks. He will have noted that planes have landed at Leeds-Bradford and East Midlands airports so far, and that next Sunday, 9 May, planes are due to land at Prestwick.

We are aware of the substantial pressures faced by the hon. Gentleman's borough, by a number of other inner and outer London boroughs and, as it happens, by district councils in the region of Kent, around Dover. It is precisely because of the disproportionate burden that a number of those boroughs are having to bear that we introduced the Immigration and Asylum Bill, so that asylum seekers who enter the country in the normal course of events—they usually do so clandestinely—do not necessarily end up in Dover or the key boroughs, but can be dispersed, not to the four quarters of the earth but to areas where they can be cared for sensibly and properly and where there is much less pressure than London boroughs are currently experiencing.

Mr. Tony Benn (Chesterfield): I welcome the Government's decision to take refugees, but may I ask the Home Secretary two questions? First, given his suggestion that, if the problem is to be dealt with, it will be necessary to bypass his own legislation, will he look at the legislation again to see why that is the case? Secondly—this involves looking further ahead—are the Government and their partners in NATO committed to resettling the refugees in Kosovo? Has an estimate been made of how long that would take, what it would cost and who would pay? The desire to return home when ethnic cleansing is over will be the first thought in the minds of the refugees here.

Mr. Straw: Let me reassure my right hon. Friend that there is no bypassing of the Immigration and Asylum Bill. The Bill, of which an extensive proportion is concerned with immigration rather than asylum control, concerns people who have sought asylum status in this country under the 1951 convention, but have not been granted it. It has virtually nothing to do with either those who have been granted status under the convention, as refugees, or those who are given exceptional leave to remain in this country. They are automatically passported on to benefits, they have a right to work, and all the obligations imposed on local authorities by the Children Act apply to them.

My right hon. Friend asked whether we were committed to resettling refugees in Kosovo when the war is over. The answer is yes. It is not just because we are

committed to that, but because the overwhelming majority of refugees are desperate to return, that the fundamental focus of humanitarian relief must be on the region of Kosovo.

Mr. Alan Clark (Kensington and Chelsea): Can the Home Secretary assure the House that his Department is taking effective screening measures to eliminate criminal elements among the refugee immigrants? His hon. Friend the Under-Secretary of State for International Development will tell him that I have already raised that in the House, on the Adjournment.

Has the right hon. Gentleman seen both the MI6 report and the Interpol papers regarding the Kosovo Liberation Army's drugs and prostitution racketeering, and the general level of intimidation involved in its infiltration of the refugee camps and, in some cases, the refugees themselves? If he and his Department do not get a proper grip, a concomitant load will be thrown on both local authority services and the police in this country.

Mr. Straw: The right hon. Gentleman will excuse me if I do not disclose which papers from the Security Service or the Secret Intelligence Service I have seen.

One reason why I said earlier that we must look carefully at each of the claims made by the 10,000 people who enter the country by other means to claim asylum—typically, by clandestine means—is that, while some are genuine and meet the criteria of the 1951 convention, others are abusive claimants who come from Albania rather than Kosovo. As the right hon. Gentleman asks, some of them are criminals. It is obviously important that, so far as possible, we ensure that they are not given any status in this country.

That is why we have to resist those naive clarion calls saying that, without any verification, we should give refugee status to anyone who turns up in this country who claims to be a Kosovo Albanian from Kosovo; we cannot do that. The people who would be most undermined by that are genuine Kosovan refugees. Of that there is no question.

Mr. Dale Campbell-Savours (Workington): First, will settlement be organised in clusters, to ensure that there is adequate mutual support for the families involved? Secondly, what counselling arrangements will be available, and from what agencies, for a people who have been through such immense suffering?

Mr. Straw: The arrangement is to ensure that people are settled in clusters. Indeed, that is the settled policy of the Government in respect of overall dispersal of asylum seekers, which we have set out in many consultative documents, and which we published alongside the Immigration and Asylum Bill. Every effort is being made to provide for mutual support, not least from the existing Kosovan population in this country. There is obviously an urgent need, for example, for interpreters.

I revert to the previous question. One of the reasons why we are sending a team of Home Office officials to the region, particularly Macedonia, to assist the UNHCR, is to help to process applicants to ensure that the people who come to this country by plane through the Refugee Council arrangements are those who are most in need.

Sir Peter Emery (East Devon): Does the right hon. Gentleman accept that one of the problems among the refugees is the number of broken families—and the number of children who have been separated perhaps from both parents and have no knowledge of whether their parents are alive? Does he accept that the International Social Service—with which I have some connection—which has its headquarters in Geneva and branches in Britain and in many European countries, and which specialises in uniting broken families and bringing destitute children back to relatives, should be encouraged to play a part wherever possible? Will he encourage the International Social Service branch in Britain to do all it can to help with that particular problem?

Mr. Straw: The right hon. Gentleman raises an important matter. I can reassure him that my right hon. Friend the Secretary of State for International Development and my hon. Friend the Under-Secretary of State for International Development, who is on the Treasury Bench, take that matter extremely seriously. We have already given £2.5 million to the International Red Cross precisely to assist in family reunion. Moreover, one of the criteria for admission to the UNHCR's lists of those to come to this country is family reunion.

Mr. Jeremy Corbyn (Islington, North): Does the Home Secretary accept that many of us are pleased with the support that the Government are giving to the recent arrivals from Kosovo and, in particular, the immediate reimbursement of local authorities of any extra costs that they have? It is important that they be rapidly paid. The move is extremely welcome.

Will my right hon. Friend reflect on the anomalous position whereby newly arrived refugees from Kosovo will be given exceptional leave to remain—and, therefore, correctly, access to all benefits— while many existing asylum seekers in this country will continue to depend on food vouchers, handouts and little cash, a system that leads to high administrative costs and to very unpleasant experiences for many of those asylum seekers, who feel humiliation in their communities? Will he reflect on the fact that that anomaly will get worse as time goes on? Perhaps now is the time to reflect on the wisdom of that policy in the first place.

Mr. Straw: I am grateful to my hon. Friend for his general endorsement of our approach; I shall pocket and treasure it.

There is nothing anomalous in the position of the Kosovan refugees who arrive here by nomination of the UNHCR. There is no doubt about their status. They are known to be refugees, having a well-founded fear of persecution by the state from which they come. There is therefore no question but that we can grant them exceptional leave to remain or other status to allow them to remain here. The problem with those who arrive clandestinely is, as I have explained, where they come from and whether they have a well-founded fear persecution. In many cases they do. Two-thirds of all asylum recognitions in the past month have been in respect of Kosovo, but some do not have a well-founded fear at all; they have made it up. They do not come from the area. We owe it to the House and to genuine Kosovan refugees to discover who they are and whether they have such a right.

I wholly reject my hon. Friend's suggestion about the way in which the benefits in kind will work. Our argument with the previous Government in respect of

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benefits for asylum seekers was that they proposed to withdraw any benefit, whether in cash or in kind, from those who claimed asylum within country, and allow benefits only for those who claimed them at port. That would have left people destitute. Local authorities have had to fill that breach and they have done so well. But, as we heard from the hon. Member for Ruislip-Northwood (Mr. Wilkinson), that has placed substantial pressure on a disproportionate but small number of local authorities, principally in London. Those who have received benefits in kind have in no way gone destitute, however. They have been properly cared for and they will continue to be cared for under our new arrangements.

Mr. Nicholas Winterton (Macclesfield): I am sure that all hon. Members and every United Kingdom citizen are deeply concerned about the plight of the Kosovan refugees and the way in which they have been treated by the Government of Serbia, but would not the Home Secretary think it appropriate to give the House an estimate of the cost of what we are doing? Secondly, does he believe—it may not be politically correct to say so—that all those who will be admitted to this country will willingly return to Kosovo as and when it is appropriate for them to do so? Is it not appropriate for the Government to provide all the aid that is necessary, by way of temporary and mobile housing and all the other forms of aid, to enable Kosovan refugees in Macedonia and Albania to be accommodated temporarily in those countries prior to Kosovo becoming safe again for the people of Kosovo to return to their own country?

Mr. Straw: I cannot give the hon. Gentleman an estimate of the total cost immediately because the situation is changing, but as soon as a reasonable and robust estimate of the cost becomes available I shall make it available to the House. I would never accuse the hon. Gentleman of being politically correct. The thought would not pass through my mind. However, I should correct him in one respect. He implied that many of the people coming from the Macedonia area to Britain by way of the new arrangements will want to stay, rather than go back. A few may, but the overwhelming evidence is that the vast majority of refugees from Kosovo are desperate to return to the homes from which they have been driven out by Milosevic's vile policy of ethnic cleansing. I am glad that there is such support across the House for the policy that we have adopted, which is, for all sorts of reasons, including those raised by the hon. Gentleman, to concentrate our humanitarian effort principally in the region, from which the refugees can most easily return to their own homes.

Mr. Tom Clarke (Coatbridge and Chryston): The Government's policy is entirely consistent with the decency and fairness of the British people who will be glad to welcome a small number of people who have had the most appalling experience. Those sentiments will be shared in Prestwick and in Scotland generally, where the people have the same qualities.

As my right hon. Friend raised the issue of Macedonia and the simple fact that, on all the evidence, the overwhelming majority of refugees want to return to their homeland, will he encourage the appropriate Ministers to ensure a dialogue between the UNHCR and the Government of Macedonia, if only because there seems to be an unseemly desire to move refugees from Macedonia to Albania, which is already overstretched? If it is possible to contribute further resources, it would underline the excellent announcement—made, this very morning, by our own Department for International Development—that we are prepared to provide more funding.

Mr. Straw: I thank my right hon. Friend for his remarks. We are not only encouraging a dialogue between the UNHCR and the Government of Macedonia, but—as my hon. Friend the Under-Secretary of State for International Development tells me—we are facilitating it. Moreover, today, the Prime Minister will be talking about that exact issue with Mrs. Ogata of the UNHCR.

Madam Speaker: Thank you. We shall now move on, although we shall undoubtedly very soon be returning to this business.

Points of Order

4.6 pm

Mr. John Whittingdale (Maldon and East Chelmsford): On a point of order, Madam Speaker.

During last week's debate on clause 2 of the Finance Bill, my hon. Friends and I pointed out that when the fuel escalator was introduced in 1993, United Kingdom petrol prices were among the lowest in Europe. In replying to the debate, the Economic Secretary to the Treasury stated that that was not correct, and that only Ireland and Denmark had higher petrol prices. I challenged her then, pointing out that my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) had stated in his Budget speech that our petrol prices were lower than in any other major European country. She replied by saying that figures from the Library supported her case, and that not only was I wrong but my right hon. Friend had been wrong.

After the debate, I tabled a parliamentary question. I have now received the reply, with a letter from the Economic Secretary's office—although it is not signed by the Economic Secretary. In it, she states that she had inadvertently misread the figures, and that, in fact, I was right and she was wrong.

I have attempted to give the Economic Secretary notice of my intention of raising this point of order, but was able only to leave a message on the answering machine in her private office. Of course I accept that she did not intend to mislead the House. However, the issue is not a peripheral one: it is central to the debate on the Government's punitive increases in petrol duty.

Is it in order for a Minister to issue a correction simply through a written answer and by placing a letter in the Library? On a matter of this importance, should not the Minister come to the House and apologise in person?

Madam Speaker: The Minister has taken the correct course of action, in that, on 4 May, she corrected her statement in *Hansard*. On that same date, as the hon. Gentleman has said, she wrote to him expressing her regret for her inadvertent error. As soon as the matter was brought to the hon. Lady's attention, she took action in two ways—to correct it, and to inform the House by means of the *Official Report*.

Football Regulator

4.8 pm

Mr. Gerry Sutcliffe (Bradford, South): I beg to move,

That leave be given to bring in a Bill to establish a regulator for professional football.

The regulator would have powers to establish a code of conduct for football clubs; to set performance targets for clubs on a variety of issues; to call clubs to account for alleged breach of the code; and to gain access to any evidence from clubs, including financial and ticket sales records. The regulator would report to the appropriate Department, and would be independent of any vested interest.

Football is a part of the nation's identity: its roots in our communities and its developments are an integral part of our cultural heritage. Football is the source and topic of many conversations up and down the land, and it is no exaggeration to say that, occasionally, it affects the United Kingdom's productivity.

Football speaks a universal language, bringing nations and people of all races together—even in disagreement on the merits of a particular player or team, or even of a referee's decision.

Football also plays a major role in the House, as witnessed by the excellent work of the all-party football group—which is expertly chaired by my hon. Friend the Member for Bassetlaw (Mr. Ashton)—not to mention the exploits of the parliamentary football team. *[Interruption.]* Perhaps it is better not to mention those exploits.

As football is so embedded in our society, our paramount priority should be to protect and enhance its future. Recognising that priority, the Government created the football task force.

We cannot allow the ownership of and responsibility for professional football to be left in the hands of those who seek to exploit it financially or for some personal kudos at the expense of supporters. There is a clear need to address important issues such as ticket pricing, club ownership, plc status and merchandising policies. Clubs have every right to make a healthy profit, but not at the expense of fans. There is a difference between profit and profiteering. Our big clubs in particular should be seen to act in a more responsible and accountable way to ensure a greater and more equitable redistribution of wealth throughout the game, and proper financial regulation.

Many of our fine new stadiums, large and small, are the focal point of local communities and have received considerable investment from the public purse. There is an enormous vacuum of power following recent sackings and financial irregularities. Hon. Members on both sides who have the best interests of the game at heart agree that there are huge concerns about the governance of football.

Football is not just an industry. It is more associated with the National Gallery and St. Paul's than with BP and ICI. It is a national treasure, not a device for squeezing money out of customers who face a monopoly. If clubs raise prices too dramatically, the customer does not just go somewhere else. Support is total and usually a legacy handed down from generation to generation. We have to be careful about who can own clubs and the motivation driving those who run the game. This is an issue of

[Mr. Gerry Sutcliffe]

business interest versus public interest. Is it right that media interests or leisure interests should have outright control?

Football's present direction towards the demands of shareholders rather than fans has created an uneasy climate in which a small number of rich clubs will get richer while poorer clubs go to the wall. Already this season we have seen many clubs in deep financial crisis, including Doncaster, Brighton and Hove Albion, Oxford, Crystal Palace, Hull City and Portsmouth. I pay tribute to my hon. Friend the Member for Hove (Mr. Caplin), whose leadership has helped the community in the revitalisation of Brighton and Hove Albion football club.

Soaring wage bills—fuelled by an incredible 40 per cent. increase in players' wages—and extraordinary transfer fees have added to the immense pressure of the need to succeed at all costs. There are many examples of good practice. A lot could be learned from what has happened at Northampton Town and Bournemouth, where supporters trusts have been set up to enable supporters to be involved in the running and accountability of their clubs. I pay tribute to my hon. Friend the Member for Northampton, South (Mr. Clarke), who is a director of Northampton Town—a club which was recently congratulated on having the best access and facilities in the country for people with disabilities, as well as an equal opportunities policy.

The football regulator would be charged with the responsibility of presiding over the financial integrity of clubs. It could also investigate genuine complaints about ticket pricing policy and the cost and frequency of issue of replica kits. The regulator would also be involved in helping the game to clean up its image as regards transfer fees and the role of agents. That element of the game involves millions of pounds, and many fans are concerned that the lack of transparency damages the well-being of football.

Those who argue against regulation and say that football should be left to put its own house in order must prove that they have all the game's interests at heart. Self-regulation has not kept pace with the modern game; hence the creation of the task force. It was left to the Popplewell and Taylor reports to make recommendations on ground safety after the Bradford City fire disaster and the Hillsborough tragedy. The 1990 Taylor report was damning about the governance of the game.

We are developing all-seater stadiums, but the investment to achieve that has had to come through bodies such as the Football Trust, involving public funds. The massive revenues from television and media rights were not prioritised for the benefit of spectators. Without the Taylor recommendations, it is unlikely that ground improvements would ever have taken place.

The all-party football group has received representations from all aspects of football and there is a genuine desire to see the game progress. The group made representations on the Manchester United/BSkyB bid. Those representations showed that the receipts of one Manchester United home game were bigger than two years' income for smaller clubs such as Darlington or Hartlepool. That cannot be good for the game. While I wish Manchester United every success in the FA cup, the European cup final and the championship, their success must not come at the expense of smaller clubs who develop young players and keep football available for ordinary supporters. There should be a more equitable redistribution of the plentiful resources at the top of the game for clubs throughout the football league and beyond.

Football has tremendous power to do good in society and can be used to help reduce crime and promote positive education policies. If the game is to continue to thrive, football must be allowed to develop at grassroots level in schools and junior teams. Figures show a reduction in the number of amateur teams, and school football is running into difficulty. My own schools association in Bradford is in desperate need of financial support. It is through those bodies that future stars will emerge.

The balance of big and small is an integral part of football's attraction, and to damage that balance would affect the whole market. Football is more than just an industry, but like many other industries, there is a need for sensible regulation to prevent anti-competitive practices and the emergence of elitist cartels. I am not alone in calling for action, as there have been many academic reports and press articles to that effect. Many organisations connected with football have recognised that self-regulation has not worked and that a regulator is now called for.

The Football Association, through FIFA, is responsible for the rules of the game, but it has failed miserably to protect and act in the best interests of all who support the game in many forms. It is now time to separate the regulatory function. The FA, rightly, should be responsible for the rules of the game, setting the criteria for membership, running competitions, overseeing player discipline and running the national side. However, it should hand over the scrutiny of clubs' finances and codes of conduct to an independent regulator.

The regulator would seek the assistance of a football industry committee, made up of bodies including the Football Supporters Association, the Football Association, the FA Premier League, the Football League, the Football Trust and the Professional Footballers Association. The separate regulatory function would ensure that the regulation of the financial, legal and commercial activities of clubs was seen as independent from vested interests.

There are many good people in football, and many who spend their lives putting great effort into developing football. Parochially, I congratulate my local club, Bradford City, its directors, management, staff and fans, who have worked together to improve the club's fortunes not only on the playing field, but in the running of the club's community activities. The club's success has raised the morale of the city. It is involved in Football in the Community, and is working with young people and the unemployed. It has established positive role models within the community, developed educational support and helped to kick out racism. Hopefully, the club will gain automatic promotion at the end of the week by beating Wolverhampton Wanderers.

The same tests that apply to other industries can be applied to football—issues such as monopoly control, serving the customer and what is and what is not a national asset—to preserve a healthy game from top to bottom. The Bill would seek to address those issues and many more affecting football at all levels. I commend it to the House.

Question put and agreed to.

Bill ordered to be brought in by Mr. Gerry Sutcliffe, Mr. Tony Clarke, Mr. Ivor Caplin, Gillian Merron, Mr. Vernon Coaker, Mr. Stephen Hepburn, Mr. Joe Ashton, Mr. Ivan Henderson, Ann Keen, Mr. Jim Fitzpatrick, Mr. Colin Burgon and Ms Joan Walley.

FOOTBALL REGULATOR

Mr. Gerry Sutcliffe accordingly, presented a Bill to establish a regulator for professional football: And the same was read the First time; and ordered to be read a Second time on Friday 11 June, and to be printed [Bill 95].

Orders of the Day

Greater London Authority Bill

2ND ALLOTTED DAY

As amended in the Standing Committee, further considered.

Clause 144

ABOLITION

4.18 pm

The Minister for Transport in London (Ms Glenda Jackson): I beg to move amendment No. 84, in page 76, leave out line 31.

Madam Speaker: With this, it will be convenient to discuss the following: Amendment No. 35, in page 76, line 31, at beginning insert

'On the date of the first meeting of the Assembly under section 44(1) above,'.

Government amendments Nos. 85 to 92.

Government new clause 16—*Transfers of LRT's property etc to Transport for London.*

Government new clause 17—*Functions during the transition from LRT to TfL.*

Government new clause 18—*Fares etc during the transitional period.*

Government new clause 19—*Continuity: repealed or revoked functions of LRT.*

Government new clause 20—*Transfer of former functions of London Transport Executive.*

Government new clause 21—*Dissolution of London Regional Transport.*

Government new clause 22—*Interpretation of Chapter XIV.*

Ms Jackson: The new clauses and amendments provide for a staged transfer of functions and undertakings from London Transport to Transport for London. Mindful of the importance to Londoners of our underground system, the Government's policy will preserve the elements of the existing system that tube users value: a single public sector operating company; unified planning; the integration of services; unified ticketing; and the retention of travelcard in the public sector.

The public-private partnership will address the root cause of most problems with the network—past underfunding and underinvestment—by bringing in substantial private sector funds to improve the services, providing greater reliability; refurbished stations; improved trains; upgraded signalling; faster journey times; and greatly improved access for disabled people. There will be real local democratic accountability via the mayor, who will have ultimate responsibility for the underground.

The Government intend to hand over the underground to the mayor knowing that all those benefits have been secured. My right hon. Friend the Deputy Prime Minister made it clear on Second Reading that once the public-private partnership process was under way,

[Ms Jackson]

the Government would see it through to completion. London Transport will remain in existence under ministerial sponsorship until the PPP contracts are let.

After 3 July 2000, for a transitional period, Transport for London and London Transport will exist in parallel. On completion of the PPP the mayor will be responsible. A full explanatory paper has been provided, setting out what will happen during the transitional period.

Mr. Simon Hughes (Southwark, North and Bermondsey): The Minister said that the Government's proposals ensure full democratic accountability. Is it still the Government's intention that the new governing body for London will have no say in the system for which it will be accountable?

Ms Jackson: I am somewhat perplexed by that question, because I have made it abundantly clear that after the completion of the public-private partnership, responsibility for Transport for London, which will include every aspect of public transport in London, will lie with the mayor. I can think of no greater democratic transparency or credibility than that the individual who will be responsible for London's integrated transport should have been placed in that high office by the people of London.

Mr. Hughes: The Minister is still ducking the question. Will she confirm that it is still the Government's policy that the mayor and the assembly will have no say in the transport system—with the financial arrangements and those between the private and the public sector—for which they will be accountable? They will be told that they have to run it, but they will have had no opportunity to influence the arrangement that has been made.

Ms Jackson: The hon. Gentleman is leaping ahead to amendments that we will debate later. Should the PPP not have reached completion before the mayor is in office, there will clearly have to be close co-operation and consultation with the mayor. If the hon. Gentleman is attempting to refloat the argument that has informed the majority of Liberal Democrat contributions to our debate—that not the mayor but the assembly should be the executive arm of the GLA—let me repeat that it is as hollow today, given our clear commitment to the structure of the GLA, as when it was first voiced in Committee.

We have repeatedly made it clear that the PPP negotiations will not take place against a self-imposed deadline. That would obviously compromise the Government's ability to achieve best value. No one will be surprised to hear that we cannot accept amendment No. 35, which would set an arbitrary date for the dissolution of London Transport. New clauses 16 to 22 and amendments Nos. 84 to 92 will allow us to implement our policies. The new clauses will form a new chapter to part IV of the Bill: chapter XIV.

New clauses 16 and 19 to 22 are intended to replace clauses 144 to 147 in the latest print of the Bill. They allow for the staged transfer of LT's undertaking and functions to TfL. Amendments Nos. 84 to 92 are consequential and would simply remove clauses 144 to 147 and replace any references to them.

New clause 16 makes it clear that the staged transfer will be implemented under the general transfer powers in part XII of the Bill.

Mr. John Wilkinson (Ruislip-Northwood): I am interested in the question of stages. Will the Minister comment on the suggestion in the *Evening Standard* of Wednesday 28 April that the delay in transferring the semi-privatised, private finance initiative infrastructure of the tube to Transport for London will cost the Treasury so much that fares will have to go up by 30 per cent. to meet the shortfall? Is that figure correct?

Ms Jackson: Neither the story nor the figure is correct. Despite what has appeared not only in the *Evening Standard* but in other organs of the press, such stories are mere speculation. We have made it abundantly clear that the process—a public-private partnership, not semi-privatisation or, indeed, a private finance initiative, as the hon. Gentleman implied—is on course.

Mr. Richard Ottaway (Croydon, South): Will the hon. Lady give way?

Ms Jackson: If I may, I shall finish my response to the question of the hon. Member for Ruislip-Northwood (Mr. Wilkinson). The fantastic fares cited in newspapers are absurd.

Mr. Ottaway: The Minister says that the story, which was properly raised by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson), is not correct. The point is that it is not a story; it is a report by Chantrey Vellacott, a well-known and respected firm of accountants, which calculates that if the Government's plans for the PPP continue as they have set out, fares will need to rise by 30 per cent. to pay for them. There is no speculation. That is the opinion of people who know much about the subject—dare I say more than either the Minister or me?

Ms Jackson: I am perfectly prepared to accept that most people know more about this than the hon. Gentleman, but I certainly rebut the idea that I am as ignorant as he claims. It is not for me—or, I presume, the hon. Gentleman—to define a sense of pique that may rest in the bosom of one firm of accountants which had no part in the detailed examination of the proposals that informed the Government's policy on PPP. I repeat that such stories are mere speculation; they are not founded on any sort of fact; they are mere scaremongering. I wish that I were surprised that the official Opposition had participated in such scaremongering stories, but I regret that it is somewhat par for their particular course.

New clause 17 sets up a legal framework in which both London Transport and Transport for London will have the necessary powers and duties that they will need to run their respective public passenger transport services during the period when both are in existence. For the duration of the transition, London Transport, the mayor and Transport for London will also be under a duty to consult and co-operate with each other for the following transitional purposes: ensuring that public passenger transport services are not disrupted, securing the PPP agreement and transferring the property, rights and liabilities of London Transport to Transport for London.

New clause 18 places a duty on the mayor to have regard to the financial and other interests of London Transport when setting the general level and structure of fares for London Transport, or negotiating the concessionary fares agreement on behalf of LT.

New clause 19 provides for Transport for London to take over LT's legal liabilities. New clause 20 is necessary owing to the eventual repeal of the London Regional Transport Act 1984, in order that Transport for London should inherit certain necessary powers from LT. New clause 21 allows the Secretary of State to dissolve LT by order when all its property, rights and liabilities have been transferred. New clause 22 defines two of the major terms used in new clauses 16 to 21. I commend the new clauses to the House.

Mr. Ottaway: I will not drag the debate down to the Minister's level.

This group of amendments relate to the transfer of London Underground to the authority. They are necessary only as a result of the shambles that the Government are in over their plans to transfer London Transport's undertakings to the new authority. They have no idea how they will get there, no idea where they are coming from, and no idea of the finished project. The Minister takes the biscuit when she says that the process is clear and easy for everybody to understand and that no one is as bright and intelligent as she is. I am sorry, but we are simply not as gullible as that.

In response to the hon. Member for Southwark, North and Bermondsey (Mr. Hughes), the Minister talked about whether the public-private partnership would be ready. The only reason why the amendments and new clauses have been tabled is that the PPP will not be ready. If she thought that it would be, there would be no need for the amendments because the transfer could be completed before the elections next year.

4.30 pm

The Minister said that the Government refuse to be tied to a deadline for the transfer because they want to achieve best value. I have to say that that is a pretty good line, but it does not fly. The Minister is not tied into a deadline because she has no idea when she will be able to reach her conclusions about setting up the PPP and when it will be transferred.

We have an awful lot to say about the PPP and its transfer, and about the nature of London Underground and its relationship with the new authority. I shall not waste the House's time by saying it all twice, so I shall save my remarks for the next group of amendments, which relate directly to the PPP rather than to the transitional arrangements.

Mr. Simon Hughes: We started considering a Bill whose original clause 144 is very simple and which states:

"London Regional Transport shall cease to exist."

We assumed that that would happen when the Bill became law, or at least when the Bill was implemented as an Act. In other words, LRT would cease to exist on the day the Act took effect. That was always the proposition, and the presumption.

In Committee, Liberal Democrat Members, with the Conservatives, explored the issue. We discovered that Alice, from "Alice in Wonderland", had walked across the Bill, in that clause 144 now [illegible] that London Regional Transport shall not cease to e[illegible] the reason was that the Government had decided, in the period since the Bill was published, that they would have to keep it going. We asked how long LRT would exist before ceasing to exist, but answer came there none.

The Government new clauses that are to substitute for the original—and very simple—clause 144 are hugely longer. They propose a set of transitional provisions that do not say when that transition will begin or end. As the hon. Member for Croydon, South (Mr. Ottaway) said, it became apparent that the plan had run into the sidings—or at least into a tunnel—and that the Government are not willing to reveal what is really going on.

We are willing to let the Government tell us that they are on target for the timetable set out on Second Reading by the Secretary of State for the Environment, Transport and the Regions. My questions relate to what he told us on Second Reading on 14 December, and to the Government's proposals in the amendments.

The timetable set out on Second Reading is the precondition to the public-private partnership. The Secretary of State said that London Regional Transport would be restructured in the first half of 1999 into an operating division and three infrastructure divisions. My understanding is that that has happened. He added that the aim would be to invite expressions of interest from infrastructure bidders early in 1999. It is understood that the invitation went out and that some people have responded. Will the Minister confirm that the date by which people were asked to express an interest has passed? Are all the expressions of interest that have been considered now with the Government? Even if she is not at liberty to say who has expressed an interest, will the Minister say how many such expressions were received?

I understand that the Government intend the Bill to be enacted by the summer. Will the Minister say when the Government propose to start the transfer referred to in new clause 16, which will allow the Secretary of State to set up programmes for transferring London Regional Transport's property, assets or functions? What is the first date for such a transfer?

Can the Minister say what is the last date by which the Government intend London Regional Transport's property, obligations, assets and so on to be transferred?

Mr. Edward Davey (Kingston and Surbiton): Bet she can't.

Mr. Hughes: I am not willing to take that bet because I do not believe anyone could win it. I understand, but I am willing to be proved wrong, that the Government do not yet know.

Government new clause 21 says that LRT will be dissolved by the Secretary of State when he or she is satisfied that all functions have been adequately transferred. Does that mean under the current Government? Would it be in the next Government's period in office, or the one after that? Does it require the Labour party to be in office for a generation, or two? May we have some idea?

To their credit, the Government faced the electorate on certain specific pledges. For example, taking 100,000 off the waiting lists was an early pledge. We are still waiting,

[Mr. Hughes]

as it has not yet been quite delivered, but other pledges were made, and all of them were given time frames. What is the time frame for this one?

Finally, I was not surprised to hear the Minister say that she was not minded to accept amendment No. 35. We took a simple view that anyone who believed in devolving power and responsibility for London transport to the new government for London should transfer responsibility to that new government once it had been set up. There is nothing complicated about that idea. It resembles tomorrow's Scottish elections, in that the plan is that once the people of Scotland have voted for their Parliament, power over a range of matters will be transferred to Scotland in a few weeks, which the Liberal Democrats welcome. The same applies in Wales.

We had understood, naively perhaps, that when the Government said that they would, from next July, set up a new Greater London assembly, then once elected, the new mayor and deputy mayor would assume responsibility. When London government returns next year it will be welcome because many of us believe that there should be democratic government. However, will it or will it not take on responsibility then for London transport?

If the answer to that question is no, a whole raft of proposals for the work that the London government will do will become theoretical. It will have work to do, but the proposition that it will take over transport clearly will not come to pass. If the Government cannot tell us by which date the new underground system will be handed over—whether or not the new mayor and assembly should have a say in its form—the election campaign will be interesting. Mayoral candidates will produce policies for running a transport system that they may not be able to run during their entire term of office.

That is Alice in Wonderland politics. People are invited to stand for election to run London transport, but may not be given that prize before leaving office four years later. That is nonsense. The Government would do us all a service by loosening the apron strings and not being the nanny state. They must allow the mayor and the assembly, whoever they are, to take responsibility and to be accountable. If they do a wonderful job, they will be applauded. If they do a bad job, they will be kicked out. But if we are to have devolution, let us have it, not never-neverland, say-one-thing-and-do-another politics that replaces the simple proposition that LRT will go with clauses saying that it might be with us for the rest of our lives.

Sir Sydney Chapman (Chipping Barnet): Only rarely do I agree with the hon. Member for Southwark, North and Bermondsey (Mr. Hughes). Rather more often, I agree with my hon. Friend the Member for Croydon, South (Mr. Ottaway). Today, I may speak briefly because they have spoken exactly as I would have wished to. The amendments would transfer responsibility from "London Regional Transport" to "Transport for London". It is no great radical leap in terms of the words used.

I accept what the Government intend to do, but I do not agree with it. Of all the amendments that have ever been proposed to a Bill, these Government amendments represent the most radical changes to the Bill as originally published. Vast changes are to be made to the Bill that the Government presented to the House: almost every amendment begins, "Leave out", and proceeds to delete chunks of text, in addition to which there are seven new Government clauses in this group. Talk about politics on the hoof—the hon. Member for Southwark, North and Bermondsey might have got lost in the tunnel, but the train appears to have gone off the rails.

The reason is simple: the Government realise that investment in London's transport is desperately needed, even though, goodness knows, investment increased dramatically under the previous Government. In the 1970s, the average level of investment in London transport was less than £50 million a year, whereas in the 1990s, the average was more than £500 million a year, and the figure is even higher today—but, whatever the sum, it is never enough. The reason for that is chronic underinvestment—especially in the underground system—during the 1950s and 1960s, when fewer people started to use the underground.

The only practical, realistic way in which to get investment for the London underground system—indeed, for London's transport as a whole—is privatisation. However, the Government do not like the word "privatisation" and, because their pre-election speeches were all about what an awful thing privatisation is, for the past two years they have been desperately searching for an alternative form of words that will enable them to get what they want without having to announce it to the country. Instead of "private finance initiative", they have come up with "public-private partnership". However, I have to tell them that, if the public-private partnership does not have control over assets, it will not put in the investment—it is as simple as that.

To return to the theme that I introduced yesterday, it is clear that what has been devolved to the people of London is a sham. The hon. Member for Southwark and North Bermondsey—sorry, the hon. Member for Southwark, North and Bermondsey; I suffer from dyslexia at this time of day—was absolutely right to say that there is to be no real devolution to the people of London. He mentioned that the Scots would be voting for their new Parliament tomorrow. The population of Scotland is 5 million, whereas there are 7 million people in London, but what the Government are not devolving to London is an insult when seen in comparison with what is to be devolved to the people of Scotland. London devolution is a sham—the Government's policy is all shadow and no substance. I support my hon. Friend the Member for Croydon, South in resisting the amendments.

Mr. Wilkinson: Mr. Deputy Speaker, I wish that you had been in Committee when the Government dropped the bombshell that London Regional Transport would have to continue and that Transport for London could not assume the assets of London Transport underground because the public-private partnership, on which had been predicated all the Labour Government's fine plans for modernising the tube, would not now or in the foreseeable future go ahead. That little statement was slipped into our proceedings, and the Minister might have been surprised at the uproar that it caused. However, the fact that the uproar was justified can be seen in the scale and scope of Government amendments Nos. 84 to 92 and, above all, Government new clauses 16 to 22.

As my hon. Friend the Member for Chipping Barnet (Sir S. Chapman) so eloquently explained, there can be few occasions in recent parliamentary history when such vast tracts of a major Bill have had to be completely rewritten. More than that, the Labour party's manifesto for London at the general election should have been rewritten. It is demonstrably a fraudulent document.

4.45 pm

On transport matters, I think that *The Times* is normally fairly sympathetic to the Government's transport proposals. In an article in the business section on Tuesday 4 May, it postulated that the tube sell-off faces delay until after the next general election. The article written by the transport correspondent, Arthur Leathley, states:

"The sell-off of London Underground is now so badly bogged down in a funding row between the Treasury and the Department of Transport and doubts over the availability of private finance that it will almost certainly have to be delayed until after the general election."

The article continues:

"Officials now concede that the private sector cannot take over the project until at least the spring 2001. But this is viewed by many observers as the likely date of the general election."

That is a year after the election for the Greater London Authority. As the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said, the election campaign will be transformed by this fact, with candidates postulating policies for a potentially purgatory role. We are talking about the Greater London Authority integrating London's transport, including the tube; manifestly, in respect of the underground services, it will not be able to carry that out.

Notwithstanding that background, transitional arrangements are set out in the new clauses. I am glad that this is so. However, I think that the general public will be more worried about the funding gap than technical transitional arrangements. The failure in finding private finance means that the taxpayer will have to pick up the tab. It was imagined that leases of 25 years for the running of the tube's infrastructure would allow modernisation to take place over the first 15 years, and that private sector moneys would be available. Those moneys will not be available. The Treasury subsidies will be withdrawn from the beginning of the next financial year. They amount to about £350 million, and are badly needed by the underground management.

Who will make good the difference and see through the transition which will lead eventually, one hopes, to the assumption by Transport for London of its rightful role, ultimately taking responsibility for the tube? If the answer is the travelling public, they will be extremely upset. Conservative candidates will certainly highlight the additional risk that London commuters will have to pick up the tab in the election campaign unless the Government are able to say now that the Treasury will make good the difference and that the fears of some of us are wholly unrealistic.

There is one ray of hope which may change the transition schedule. It is the suggestion that I have read in the press today that Railtrack will assume responsibility for the running of the infrastructure of London Transport underground. If that is the case and a white knight such as Railtrack is to emerge at the 11th hour, I suppose that that is potentially good news. However, such a move would take away the element of competition that we had imagined was at least possible under the Government's arrangements. It will be a monopoly system. Whether that accords with what the Government have in mind, only the Government can say.

It is clear from the Report stage today that the Government have let the electorate of London down on one of the foremost elements of their 1997 election campaign. For the past two years, until the Standing Committee proceedings in March, the Government have not come clean and admitted that the transfer of the underground to Transport for London will not take place in the foreseeable future. Even now, the Government cannot give a date when Transport for London will assume the responsibilities that everyone expected it to take over on 3 July 2000. That is an admission by the Government of their failure to be candid with the electorate and to administrate on a central plank of their transport policy for London.

Mr. John Bercow (Buckingham): I am grateful to my hon. Friend for giving way, as he is developing a powerful case. Is not the situation especially serious in the light of the 36 per cent. increase in tube breakdowns since the general election, and the 20,000 breakdowns on the London Underground tube network over the past 12 months alone?

Mr. Wilkinson: As ever, my hon. Friend has the facts at his fingertips. The House is grateful to him for the knowledge that he brings to these matters. The figures that he quoted demonstrate how essential is the new investment that the Government promised would occur through the public-private partnership. That will not happen unless the Treasury provides the funds. There is no indication in any Government document that I have seen from the Treasury, in any of the press speculation or in any of the commentaries in the transport press that the Exchequer is prepared to make good the difference.

That being so, the network will continue to deteriorate, the breakdowns will become more numerous and possibly more severe and, above all, the passenger is likely to have to pay more. That is the end result of Labour Government failure. The travelling public should be aware of the facts, and I am glad that we have had the opportunity to make plain these unpleasant realities.

Ms Glenda Jackson: That was one of the most fascinating contributions that I have been privileged to hear in the Chamber. Member after Member of the official Opposition expressed bemusement at the Government's proposals with regard to the transition from London Transport to Transport for London. I find it hard to believe in their bemusement, as my right hon. Friend the Deputy Prime Minister stated in the House on Second Reading that there would indeed be a transitional period.

The hon. Member for Croydon, South (Mr. Ottaway) clearly does not understand the complexity of the London underground. We are not selling a train set. We have the dread lesson of the experience of watching his Government enter into rail privatisation. They were so driven by a date, and by the desperate desire to offload a problem that they had neither the imagination nor the energy to tackle, that they cost the country billions of pounds. They sold off national assets for a fraction of their real worth, they fragmented an integrated railway system

[Ms Glenda Jackson]

into 100 separate operations, and now they have the audacity to suggest that we should follow that disastrous example in pursuit of an empty date.

Our objective is to provide the best value and to ensure that adequate funding to modernise London's underground is brought into place, after more than a decade of lamentable stewardship by the previous Administration.

The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) expressed similar bemusement. I have a clear recollection that he was in the Chamber when my right hon. Friend the Deputy Prime Minister made his statement. The hon. Gentleman asked questions with regard to the state of the public-private partnership. I can tell him that there have been no expressions of interest, and none has been invited. There have been no invitations for pre-qualification. There has been great interest from the private sector, as I have had occasion to say before in the House.

I also took on board the hon. Gentleman's point about Alice in Wonderland, because I was strongly reminded during his contribution of the White Rabbit desperately consulting a watch and crying all the time, "I'm late, I'm late!" He also seems to believe that the Government should be driven by some artificially imposed end date. That is not the way to produce the best possible value and the best possible results for the people of London in respect of the underground.

All official Opposition Members who spoke were bemused at what the situation will be, but the Government, through the statement made by my right hon. Friend the Deputy Prime Minister on Second Reading, made that abundantly clear. However, the hon. Member for Chipping Barnet (Sir S. Chapman) was quite right. We are introducing radical and reforming changes, and there is a clear and desperate need for investment, as I have already had occasion to say, because of the previous Administration's lamentable stewardship of London Underground and because of their grievous lack of investment for at least a decade—not because of a lack of investment between the '50s and '60s. If I remember correctly, the core funding for London Underground was halved in the 1996 Budget.

Nor do we come new to the idea of public-private partnership by virtue of being in government. My right hon. Friend the Deputy Prime Minister has been advocating public-private partnership for a considerable number of years—since well before the 1997 election.

The hon. Member for Chipping Barnet said that our proposals were a sham. I must tell him that the people of London voted for what the Government propose and they do not perceive our proposals as a sham. They perceive that there has to be a means of attracting adequate investment to ensure that the tube, which is one of the arteries of London, can maintain its proper place in moving them around this great city.

Sir Sydney Chapman: All I ask the Minister to do when she returns to her Department is check out the facts. In the 1970s, the average investment in London Transport as a whole—90 or 95 per cent. of which went on the London underground—was under £50 million a year. The Conservative Government brought that figure up, from 1979 to the 1990s, to £500 million a year or more. Indeed, the figure was about £750 million when we left office. Does she remember that? If she is disparaging what she calls the "lamentable" performance of the previous Government—that beggars belief—what on earth would be her epitaph for the previous Labour Government?

Will the Minister remember one other thing? She condemns the way in which we privatised the railways, but does she admit that, thanks to privatisation, the fares of the railway companies are less in real terms than they were before privatisation? The fares on the London underground have gone up way beyond inflation.

Ms Jackson: The most recent fare rise on the London underground was not way above inflation. I believe that it was 3 per cent., which is a marked contrast to the fare increases under the previous Administration. From 1986 to 1996, fares rose by an astronomical 38 per cent. in real terms.

The hon. Gentleman referred to the investment made by the previous Government; the core funding figures from 1994 to 1997 show £399 million, £462 million, £251 million and £175 million. One of our first acts on taking office was finding an additional £365 million for London Underground, which ensured for two financial years that it had more than £1 billion to carry out necessary modernisation and the rolling back of necessary work on the underground. The failures of the previous Administration meant that, year on year on year, London Underground had been incapable of doing such work—it was impossible for it to plan.

Mr. Keith Darvill (Upminster): Will my hon. Friend confirm that the investment figures quoted by the Opposition include investment in the Jubilee line and investment required to resolve the problems arising from the King's Cross disaster?

5 pm

Ms Jackson: My hon. Friend is entirely right. The figures that I just read out, to stunned silence on the Opposition Benches, exclusively related to the core funding. They excluded the Jubilee line extension costs to which my hon. Friend referred.

Mr. Jonathan Sayeed (Mid-Bedfordshire): The Minister has taken just one particular part of the funding. If she looks at the total funding, she will find that the figures are very different from those that she quoted. Will she confirm that, for the 10 years from 1987 to 1997, the previous Government invested an average of some £700 million per annum, whereas, under the Labour Government, the average has been £500 million?

Ms Jackson: The hon. Gentleman can move the figures backwards and forwards as much as he likes; the fact remains that the core funding over the period to which he refers was reduced by the previous Administration. The proof of the pudding is in the eating. One has only to look at the state of the London underground when we came to office. Over 18 years, no major improvements were made in the core investment necessary to maintain one of London's vital arteries.

Mr. Ottaway: It is important that we clarify this point, and I can think of no better authority than the

Department's annual report for 1999. May I draw the Minister's attention to paragraph 13(d) on London transport investment? Unfortunately, the figures start at 1993-94 and run for the six years to 1999–2000. I say "unfortunately", because the figures would be even more *impressive if they went back further than 1993. In* 1993–94, the core business was £520 million; in 1994-95, it was £554 million; and, in 1995–96, it was £589 million—compared with the figures for 1998–99 and 1999–2000, which were £394 million and—

Ms Jackson: What about the intervening years?

Mr. Ottaway: The intervening years were better still: 1996-97 was the only year in the last decade when that figure fell below £400 million.

Ms Jackson: Half.

Mr. Ottaway: My hon. Friend the Member for Mid-Bedfordshire (Mr. Sayeed) is absolutely right. The level of investment over the past decade has been, on average, £700 million per annum. The source for that information is the submission by London Underground to the Select Committee on the Environment, Transport and Regional Affairs. The Minister is responsible for London Underground, but she may not know what her own organisation is saying.

Mr. Deputy Speaker (Mr. Michael J. Martin): Order. The amendments are on the specific subject of transition, but we are now discussing investment, funding and the record of previous Governments. There must be a narrower discussion on the amendments before us.

Ms Jackson: Thank you, Mr. Deputy Speaker. May I simply say that, if the previous Administration were so committed to maintaining and modernising London Underground, I find it somewhat surprising that their only response was to sell it off?

The hon. Member for Ruislip-Northwood (Mr. Wilkinson) referred to the speculative stories that have been appearing in the London press. He referred in particular to one in *The Times*. I am sure that he is aware that it was virtually a rerun of a similar speculative story that appeared in the *Financial Times* several weeks ago.

The hon. Gentleman was also much concerned about what he perceives as a funding gap before the public-private partnership for London Underground is completed. We have made it abundantly clear, both inside and outside the House, that we are cognisant of the importance of London Underground and would never, ever allow it to fall into what Opposition Members have called a black hole.

Mr. Wilkinson: The phrase "a black hole" has a resonance with the general public, who are genuinely and rightly concerned. Did the Minister not admit in the Standing Committee that, for the transitional period at least, passengers on the London tube would have to continue to pay fare rises over and above the rate of inflation? She said that that would be the case for the foreseeable future—we have no date.

What will happen during the transitional period between the assumption by the Greater London Authority of its responsibility and the assumption by Transport for London of its intended responsibility for London Transport underground? The Exchequer has made no provision for the necessary investment. Does she have any figures with which she can reassure the House and the travelling public?

Ms Jackson: That is not what I said in Committee about fares. I referred to the fare modelling on which the public-private partnership was based, and said that the modelling assumed a fare increase of the retail prices index plus one for the years 2000 and 2001 and, after that, the assumption was RPI plus zero. The general public in London can be in no doubt about the importance that the Government attach to London Underground. The hon. Gentleman is incorrect to say that the public are fearful.

One of the first actions that we took when we came to office was to provide an additional £365 million for London Underground. There is no way in which we would not continue to ensure that this vital part of London's public transport system serves the people of London. It will be the mayor's responsibility to set fares.

The hon. Gentleman also referred to a story that has appeared in the newspapers about Railtrack—it is again somewhat fantastical. It is interesting that that story has prompted a statement from the TubeRail Consortium, which says:

"TubeRail remain as committed now to the London Underground PPP process as we have since it started—along with a number of other consortia.

We have some very innovative proposals which will bring real benefits to London's passengers as well as offering best value to the taxpayer.

Like the Government we believe strongly in a competitive process which will ensure the real value of bidders' proposals is properly tested. A single bid for the network would not deliver that."

The TubeRail Consortium comprises Alstom, Amec, Brown and Root and Tarmac Construction.

Mr. Simon Hughes: I do not know how near the Minister is to the end of her speech, and I assume that she will deal in a minute with the specific questions that I asked her about the beginning and the end of the transition. I want to make sure that she will give us an answer on a matter that she touched on. She said that no expressions of interest have yet been sought. On 14 December last year, the Deputy Prime Minister said:

"The aim will be to invite expressions of interest from potential infrastructure bidders early next year."—[*Official Report*, 14 December 1998; Vol. 322, c. 630.]

What is now the timetable, given that we are in May and, by most definitions, "early next year" must be running out?

Ms Jackson: The hon. Gentleman clearly enjoys playing the White Rabbit. He is obsessed with time. Every time he gets to his feet, all he needs is the prop of the watch. I shall repeat what I said to him earlier: there have been no invitations from anyone to anyone for expressions of interest. The process is one of pre-qualification. The first stage of pre-qualification will be due later this spring. London Transport published a progress report on 15 March, and I repeat that there is great private sector interest in the public-private partnership. I have just read out the statement made today by TubeRail.

Mr. Sayeed: Will the Minister give way?

Ms Jackson: If I may, I should like to finish responding to the hon. Member for Southwark, North and Bermondsey. We have made it abundantly clear that we will not be driven by an artificial date; we will be driven only by that which is in the best interests of the public and will deliver best value.

Mr. Sayeed: The Minister says that she will not be driven by an artificial date, but a date is already specified in the proposals: that date is May 2000. According to Treasury figures, there will be no subsidy after May 2000. The fact is that the Government are well behind their plans for public-private partnerships. If PPP does not come about by the specified date, how will the Minister fund the tube?

Ms Jackson: May 2000 is important because that is when the mayor and the assembly will be elected in London. The hon. Gentleman should note that we are discussing amendments and new clauses that will bring about the transition from London Regional Transport to Transport for London. There is no date for when PPP will be completed, because, as I have said, the Government will not be driven by the artificial end dates that, as far as the people were concerned, proved such a disaster under Administrations hell-bent on rail privatisation.

Mr. Bercow: Will the Minister give way?

Ms Jackson: No.

Those end dates cost the people an enormous amount. They were a gross waste of national assets. This Government are driven by a wish to provide best value for the taxpayer, and they will deliver the best of all possible values in terms of investment in London Underground.

Mr. Bercow *rose—*

Ms Jackson: Now I will give way to the hon. Gentleman.

Mr. Bercow: If the Government are untroubled by dates, why, at the end of last year, did the Deputy Prime Minister blunder into talking about invitations for expressions of interest early this year—and why is it now necessary for his junior colleague to rescue him?

Ms Jackson: My right hon. Friend the Deputy Prime Minister never blunders, I do not understand what the hon. Gentleman is talking about.

I believe that I have answered all the questions put to me. I commend the amendments and new clauses.

Amendment agreed to.

Clause 145

TRANSFER OF PROPERTY ETC. TO THE AUTHORITY

Amendment made: No. 85, in page 76, leave out lines 32 to 39.—*[Mr. Dowd.]*

Clause 146

TRANSITIONAL PROVISIONS

Amendment made: No. 86, in page 76, line 40, leave out from beginning to end of line 23 on page 77.—*[Mr. Dowd.]*

Clause 147

CONSTRUCTION OF REFERENCES IN LOCAL AND PERSONAL ACTS

Amendment made: No. 87, in page 77, leave out lines 24 to 26.—*[Mr. Dowd.]*

Clause 171

PPP AGREEMENTS

Mr. Ottaway: I beg to move amendment No. 79, in page 88, line 1, leave out from beginning to end of line 16 on page 98.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following: Amendment No. 22, in page 88, line 24, leave out 'must not' and insert 'may'.

Amendment No. 23, in page 88, line 25, leave out 'must not' and insert 'may'.

Amendment No. 24, in page 88, leave out lines 27 to 29.

Government new clause 37—*The PPP arbiter.*

Government new clause 38—*Terms of appointment etc of the PPP arbiter.*

Government new clause 39—*Staff of the PPP arbiter.*

Government new clause 40—*Directions of the PPP arbiter.*

Government new clause 41—*Guidance by the PPP arbiter.*

Government new clause 42—*Duty of PPP arbiter.*

Government new clause 43—*Further powers of the PPP arbiter.*

Government new clause 44—*Provision of information to the PPP arbiter.*

Government new clause 45—*Immunity of PPP arbiter.*

Government new clause 46—*Expenses of the PPP arbiter.*

New clause 3—*Funding and Management of London Underground*—

'The Mayor shall not be bound by any Public Private Partnership entered into by London Regional Transport or Transport for London and shall be free to enter into any method of funding and management of London Underground including a long lease of management, maintenance, replacement of rolling stock and operation to a private contractor.'.

New clause 5—*Public interest company if PPP agreement not signed*—

'(1) If no PPP agreement has been signed by 1st July 2000, the Mayor and Assembly shall be permitted to establish a public interest company as defined by subsection (2) below.

(2) In this Chapter "public interest company" means a company—

(a) a majority of whose issued shares are held by or on behalf of any of the bodies or persons falling within paragraphs (i) to (iv) below;

(i) any Minister of the Crown, Government department or other emanation of the Crown;

(ii) any local authority;

(iii) any metropolitan county passenger transport authority;

(iv) any body corporate whose members are appointed by a Minister of the Crown, a Government department, a local authority or a metropolitan county passenger authority or by a body corporate whose members are so appointed;

(b) in which the majority of the voting rights are held by or on behalf of any of the bodies or persons in subsection (2)(a) above;

(c) a majority of whose board of directors can be appointed or removed by any of the bodies or persons in subsection (2)(a) above;

(d) in which the majority of the voting rights are controlled by any of the bodies or persons in subsection (2)(a) above, pursuant to an agreement with other persons; or

(e) a subsidiary of a company falling within subsections (a) to (d) above.

(3) The public interest company may borrow money for investing in transport in Greater London.'.

New clause 9—*Public interest company if PPP agreement not signed (No. 2)*—

'—(1) If no PPP agreement has been signed by the date of enactment of this Act, the Mayor and Assembly shall be authorised to establish a public interest company as defined by subsection (2) below to take over from London Underground Limited.

(2) In this Chapter "public interest company" means a company—

(a) a majority of whose issued shares are held by or on behalf of any of the bodies or persons falling within paragraphs (i) to (iv) below;

(i) any Minister of the Crown, Government department or other emanation of the Crown;

(ii) any local authority;

(iii) any metropolitan county passenger transport authority;

(iv) any body corporate whose members are appointed by a Minister of the Crown, a Government department, a local authority or a metropolitan county passenger authority or by a body corporate whose members are so appointed;

(b) in which the majority of the voting rights are held by or on behalf of any of the bodies or persons in subsection (3)(a) above;

(c) a majority of whose board of directors can be appointed or removed by any of the bodies or persons in subsection (3)(a) above;

(d) in which the majority of the voting rights are controlled by any of the bodies or persons in subsection (3)(a) above, pursuant to an agreement with other persons; or

(e) a subsidiary of a company falling within subsections (a) to (d) above.

(3) The public interest company may borrow money for investing in transport in Greater London.'.

Mr. Ottaway: If anything illustrates the ideological battle at the heart of the Government, it is the delay, dither and lack of policy on London underground. The Government have learned how to use the language of the marketplace; they have learned how to pay lip service to the value of the private sector; but, when it comes to the crunch and they have to face up to tough issues such as the future of London underground, they chicken out and return to their old Labour roots.

What party on earth other than the Labour party promises improvements to London underground in its manifesto, and then comes up with a scheme that offers less investment than was offered by their predecessors, and says that the solution is to leave London underground in the hands of its present management?

As my hon. Friend the Member for Buckingham (Mr. Bercow) said, the standards of London underground are slipping, and the problems have become increasingly acute during the past two years. The Department's own figures state that in 1994–95, more than 16,000 delays were caused by faults in rolling stock. That figure fell over the next few years, before rising to more than 20,000 this year. Signal failures are up, as are other track faults; breakdowns and signal failures are daily occurrences. Poor conditions, delays and people missing connections are a fact of life, and the Government are taking no positive action to improve the situation.

Since taking over the underground, the Government have cut investment. Table 13.d of their own annual report, to which I referred when we were discussing the previous group of amendments, shows a sharp fall in London Transport investment. As my hon. Friend the Member for Mid-Bedfordshire (Mr. Sayeed) pointed out, no investment has been announced for next year, and the Treasury is ordering the Deputy Prime Minister to take the money out of the road maintenance programme.

5.15 pm

In their last decade in office—which is increasingly looking like a golden era—the Conservative Government invested, at today's prices, £8 billion. We were the first to admit that that was not enough, and that we needed to bring in the private sector to secure extra investment. What is this Government's answer? A public-private partnership which will introduce £7 billion over 15 years. That is half a billion pounds a year, and about the same level of funding that the Government are providing at present as a temporary measure.

Why do the Government not admit that their plans for PPP are in a mess? As all the contractors involved are deeply wary of the Government's intentions, it now looks increasingly likely that the plan will not be up and running when the mayor takes office next summer, and quite likely that the funds will not be flowing by the summer of 2001. My hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson) referred to a story in *The Times* yesterday, headed

"Tube sell-off faces delay until after next election"

A whole Parliament will have gone by, and the Government will have failed to deliver on their pledges. The reason for their inability to deliver on their pledges is their inability to embrace the private sector, and to use it whenever necessary or whenever it can help.

It is well worth making a comparison with the privatised railways. The railways carry only a few more passengers per annum than the underground, but the differences in proposed levels of investment are startling. The state-owned underground can expect £7 billion over the next 15 years if it is lucky, and fares are rising. A recent report by the chartered accountants

[Mr. Ottaway]

Chantrey Vellacott, which was mentioned earlier, suggested that fares would have to rise by 30 per cent. to pay for the PPP. On the other hand, privatised rail fares are falling, and no less than £27 billion of investment has been pledged for the next 10 years.

I shall deal with the question of performance shortly; but what a contrast that is. The Government, however, say that PPP is the best way of attracting investment. Labour Members nod: they believe that. But what do others say? The London school of economics is not a stupid organisation. In a report prepared with the respected transport economists Glaister, Scanlon and Travers, published on 20 March, it says:

"The Government's plan for the Public Private Partnership . . . for the Underground is flawed in principle, and impracticable. The long-term capital needs of the Underground are of paramount importance to London and to the future of its economy. Before it is too late, the Government should alter its plans and modify the GLA Bill to allow the new Mayor and Assembly the freedom to choose the best solution from amongst a range of available alternatives."

Mr. Edward Davey: Will the hon. Gentleman give way?

Mr. Ottaway: I am still quoting. The report continues:

"It is now apparent that the PPP as proposed will meet few of the promises made when it was announced exactly one year ago. The PPP threatens to impose burdensome long term pressures on Underground operating revenues, including the prospect of continually rising fares, in order to pay back up front investment by private contractors."

Mr. Davey: The hon. Gentleman is quoting rather selectively from the academics' publication. If he read other parts, he would see that they back the idea of a public interest company, proposed by the Liberal Democrats and others in the capital. What they do not back is the privatisation option favoured by the Conservatives.

Mr. Ottaway: The hon. Gentleman says that I am quoting selectively. In fact, I have quoted the first two paragraphs. He is right in saying that the report suggests a number of options, but one is a long-term lease of the underground to a single contractor. I shall say more about that.

Mr. Davey: That is not privatisation.

Mr. Ottaway: I accept that, but a long-term lease to a single private contractor over, say, 99 years is not far off being a full-scale privatisation.

Mr. Davey: Will the hon. Gentleman confirm that the option that he has just described is not the favoured option in the report? The favoured option is a public interest company.

Mr. Ottaway: I do not read that in the report. The academics do not express a favoured option; they put forward a number of options on an equal basis. I am sure that the hon. Gentleman will get the report out and quote it in his speech.

The Government are failing in an ideological logjam. All the evidence of the past two decades is that privatisation works. All the companies that used to be at Labour's

"commanding heights of the economy"

are performing better in the private sector than they were in the public sector. It was not all straightforward, but no one suggests that companies such as British Airways, British Gas and the electricity boards would perform better back in the public sector. As the investment level in the railways comes through, the Government will soon be taking the credit for the performance of the railways as well; indeed, the language already seems to be moderating. Therefore, we urge the Government fully to embrace the private sector for London underground and to involve it in operations, as well as the infrastructure and management.

The annual report for 1999 from the Department of the Environment, Transport and the Regions continues to make interesting reading. Against the background of falling investment that I have described, it says at paragraph 13.8:

"The Government is setting London Underground quality of service targets to 2000-01 . . . At the time of writing, London Underground was on target to meet three out of nine quality targets".

That is getting a bit off message. Such glossy documents are meant to be new Labour spin. If it thinks that failing on six out of nine quality targets is a success story, it has another think coming. The real point is that London Underground is currently making an operating profit of £250 million a year. If it can do that under the present management, while failing on two thirds of the quality targets, think what the private sector could do if the Government could get rid of their dogma and let it run the underground in the way in which it runs many former public services.

It is possible to make London underground viable; I know that the Government have trouble believing that. They said that privatising the railways would not attract investment. They were wrong, and they are wrong on their public-private partnership.

The Government will hang on to London underground until they have set up their PPP, but buses and roads will be transferred to the mayor next summer. It will be the first time since the 1920s that the buses and the underground have been under different management. It is not an integrated transport policy, but a disintegrated transport policy. The public are becoming increasingly aware of it.

The worst thing—it is a further point made by the London school of economics—is that the mayor will have no say in the best way in which to run the underground. In response to interventions from the hon. Member for Southwark, North and Bermondsey (Mr. Hughes), the Minister said that, if the PPP was not ready by the time of the election, it was inevitable that the mayor would be involved. That does not seem to be a pledge of any sort, or perhaps I have read it wrongly. *[Interruption.]* The Minister says that it is a pledge.

Ms Glenda Jackson: The hon. Gentleman clearly misheard what I said from a sedentary position. It has been abundantly clear to everyone who takes an interest in these issues that we have consistently said that, if the PPP is not concluded by the time the mayor takes office,

as the mayor will eventually be responsible for the underground, clearly, the mayor will be involved in the discussions on the PPP.

Mr. Ottaway: What happens if the mayor has campaigned on a manifesto pledge not to accept the PPP?

Ms Jackson: I should think that any candidate who campaigned on a pledge not to ensure that the relevant levels were invested in the underground, to transform it into the modern underground that London needs, would stand little chance of winning the favour of the people of London.

Mr. Ottaway: The Minister is in for a big surprise. The people of London will not welcome a £7 billion debt being landed round their necks, with the Deputy Prime Minister walking off into his next job and saying to the people of London, "You pay for it over the next 30 years." In Committee, the Minister said that she would be proud to introduce a congestion charge. No doubt she would be proud to lumber London with a £7 billion debt, but she has not answered my question: what would happen if the mayor were committed to a pledge not to accept the PPP?

Ms Jackson: I say again: I cannot believe that any serious candidate for the mayoralty of London would turn away from the only certainty of securing the relevant level of investment, over a sustainable period, to ensure that the underground could be modernised.

Mr. Ottaway: I know that the Minister is a wise and intelligent person, but just suppose for a second, on that narrow issue, that she is wrong. Let me soften the line slightly. Let us suppose that a mayor is elected who is not opposed to the PPP and who is committed to a transfer, but on different terms from those that have been proposed by the Government. Is the Minister saying that she would override the mayor, or that he would have the last word? Who would have the last word in those circumstances?

Ms Jackson: I have tried to shield the hon. Gentleman from the painful truth, but it is highly unlikely that anyone other than a Labour candidate will be elected as mayor for London. It is impossible to conceive of any Labour candidate not endorsing that imaginative and productive policy.

Mr. Ottaway: If a Minister ducks a question three times, it is clear that she does not know the answer. Frankly, she should not come here unless she knows the answers. She should brief herself better before she comes here. It is almost as bad as yesterday, when she said that a passenger in a taxi could order a taxi driver to put out his cigarette. There seems to be no evidence for that; she has not produced any. She just makes statements off the top of her head without thinking about it and without any background, support or information whatever.

Mr. Eric Forth (Bromley and Chislehurst): Does my hon. Friend conclude that what the Minister has now confessed publicly is that the form of the Bill that the Government are offering the House will not cater for some of the most likely outcomes of the election? Does he agree that that puts London in a most dangerous and unpredictable position, and means that we cannot now sensibly deal with the future of the underground?

Mr. Ottaway: My right hon. Friend is right. We have absolutely no idea where the Government are going. London underground is not a tin-pot organisation; it is a substantial part of London's economy. The Government have no vision, no idea, and no future for London underground which is coherent in any sense.

In our judgment, the mayor should have the last word. What the Government are proposing, with their interim transitional plans, is to negotiate a PPP, and then to dump it on to the people of London and walk away from it. As I have said, it is a £7 billion millstone hanging from the neck of the people of London.

There is a fourth way. The Government should consider pursuing a long-term leasing arrangement for London underground as an integrated operation with one private sector firm. There is a precedent for that: Eurotunnel has a lease on the channel tunnel until 2086. That was not negotiated by a Conservative Government; it was agreed by the present Government in December 1997. It is a model that would work admirably on the underground, with the authority as the landlord imposing terms in the lease, and with a regulator to keep an eye on performance. That is one of the many ways in which the potential of the private sector could be fully realised for the benefit of London underground. Best of all, that solution would impose no financial burdens on the new authority, it would satisfy the Treasury and would benefit London as a whole.

Last year, the Transport Sub-Committee looked at the Government's plans for a public private partnership and described them as a "convoluted compromise". We have no reason to believe that the Committee was wrong. A PPP is not the best way forward. It must be dawning on the Government by now that they have got it wrong.

5.30 pm

Mr. Harry Cohen (Leyton and Wanstead): The hon. Member for Croydon, South (Mr. Ottaway) started by talking about ideology and then exhibited a great deal of it. He wants to scrap the Government's proposals, which are really about countering the chronic under-investment in London underground during the Tory years. His solution in the amendment is wholesale privatisation, which simply negates the public service nature of the London underground. Only profit would matter. A few choice lines would run and the rest would be scrapped, regardless of public interest. The system would be unreliable and decline. Privatisation has already been thoroughly rejected by the London public, especially the travelling public.

Only last week, the right hon. Member for Hitchin and Harpenden (Mr. Lilley) said that the Conservative party wanted to change the public perspective of it as being about privatisation, particularly in terms of essential public services. Like that famous lager, he has not reached all parts, certainly among the shadow Transport spokesmen. At their first test, the London underground, their solution is wholesale privatisation. The hon. Member for Croydon, South should speak to his right hon. Friend on that point.

[Mr. Harry Cohen]

I want to take this opportunity to read into the record some serious points made by the Capital Transport Campaign, to which I hope the Minister will respond. Louise Hudson, a campaigner and researcher for that good organisation, referring to the Greater London Authority Bill and the London underground, said:

"Capital Transport Campaign has become increasingly concerned during the past few months that the current proposals for the funding of London Underground will not meet the funding requirements of London's most heavily used public transport service. In addition, the proposals have not taken into account the findings of the Environment, Transport and Regional Affairs Committee's investigation into London Underground published in July 1998.

The Government grant to London Underground ceases in April 2000. The proposal is that the public-private partnership will provide over £7 billion over 15 years. That is less than the Underground is getting now. In addition there is the question of what will happen when the Government grant ceases. This will occur prior to the securing of extra revenue through the PPP.

The deal for the Underground will be struck between the Government and the private sector. This will happen prior to the establishment of the Greater London Authority. Fifty one per cent of respondents to a recent London First business survey said that the Underground was the most important transport issue for the GLA. With this in mind the Mayor is likely to be judged on whether he succeeds in delivering an improved Underground service. Capital Transport Campaign is concerned that under present plans the Mayor will be scapegoated. The Mayoral candidates will have no idea of the nature of the contracts being negotiated. However, the Greater London Authority will have to pay back the private contractors their £7 billion, plus interest. The only way to raise this money is:

1. Through raising fares

2. Through road pricing

Since most people who travel to work in central London travel by public transport, often those using the car do so out of necessity. They will ultimately pay for the public-private partnership along with the fare paying passenger who has already endured above inflation fare increases for a number of years.

With all this in mind we believe that if the PPP does go ahead then the Mayor and Transport for London should have access to Government funds. This will enable them to secure revenue for the Underground when the Government grant ceases or if the PPP is likely to make unnecessary demands on the Mayor's revenue stream. If extra revenue is not forthcoming then it is unlikely that enough money will be available for projects such as the step free access programme for the Underground. High road charges, above inflation fare increases and an inaccessible public transport system will ultimately lead to social exclusion."

I am sorry to have had to read that submission into the record, but those are important points that need to be addressed. I would be interested in the Minister's response. As the letter says, the Select Committee on the Environment, Transport and Regional Affairs said that the mayor could come under pressure to combine a cut in services with a hike in fares should there be a gap between income and fares, and payments to contractors. It called for fare increases to be capped and for the Government to clarify whether, in the event of a funding gap, they would make money available.

I welcome the Minister's statement that the Government would not let London underground fall into a black hole. I should like the Minister, if not today at some other point, to expand on that and give greater assurances.

Reference has been made to the article in *The Guardian* today which spoke of Railtrack possibly putting in a bid for London underground. The same article states:

"Mr. Prescott had originally planned to let the private sector take over the Underground's track and signalling systems by next April, and no subsidy was set for 2000-2001."

The article also alleges that the Secretary of State for the Environment, Transport and the Regions

"has been told by the Chancellor . . . that next year's £350 million maintenance costs for the Underground will have to come out of the department of transport's budget."

The financial situation is of concern to Londoners.

I asked the Minister of Transport about the cost of the Jubilee line extension. He replied that the new estimate for the final cost of the project was about £3.2 billion. Set against that is £2 billion ring-fenced by the Government and directly funded by Government grant. In addition, there are some private contributions, but they are quite small—£135 million already paid by the Canary wharf developers and £7.5 million from British Gas, and another £400 million is to be spread over 25 years. That is a small sum. The final cost of the Jubilee line will be about £3.2 billion and there will be a Government grant of £2 billion. If one adds another £0.2 billion from private amounts, there is still £1 billion to come from the DETR's budget.

The Minister of Transport told me that the Government were providing an extra £365 million for investment in the underground system, which means that a total of about £1 billion will be in the core network in 1998–99 and 1999–2000. That is for two years. As the Jubilee line extension is not being funded properly, the gap is £1 billion, and we are seeing the possibility of no Government grant subsidy from 2000 onwards. That is a serious problem for London Transport.

Therefore, I again point to the Minister's answer that the Government will not let London underground fall into a black hole. At the moment, the figures look like a black hole. I hope that, if not today, later, we shall have a better explanation from the Minister, and that Ministers, who are also London Members of Parliament, will bring greater pressure to bear on the Secretary of State and, in particular, the Treasury to ensure that London Transport and the London underground have a proper deal.

I am concerned about the points made by the Capital Transport Campaign that the new London mayor could be seriously scapegoated, or have his hands so tightly tied on London Transport that he could not develop the necessary policies in conjunction with and following the aims of the Government. I should appreciate it if those points could be addressed.

Mr. Tom Brake (Carshalton and Wallington): This group of amendments goes to the heart of the matter: the future for transport in London. Liberal Democrat Members did not press amendment No. 35 to a vote so that we might able to debate this group at much greater length.

What is the current state of the tube? The hon. Member for Croydon, South (Mr. Ottaway) has already mentioned the figures—obtained by Liberal Democrats—on rolling stock failures, which both show that, in the two years since Labour came to power, there has been a 36 per cent. increase in such failures and demonstrate the signification deterioration in the situation. Other hon. Members have

already mentioned the fact that £350 million will be needed for routine maintenance on the underground, and that that money will have to be found in the budget of the Department of the Environment, Transport and the Regions.

What about the current state of the public-private partnership? The Government's PPP proposals for the tube have been criticised by many well-respected individuals and organisations—to whom other hon. Members London have referred—such as London First; the London school of economics; John Kramer, the former chief executive of the Chicago rapid transport authority; the Capital Transport Campaign; and Chantrey Vellacott. All those people and organisations are either very worried about the Government's PPP proposals or are suggesting their preferred alternatives. Even a few Labour Members have expressed their concern about the proposals by supporting an early-day motion calling for an alternative to the PPP.

A report in the *Financial Times* stated that the Deputy Prime Minister is talking with the Treasury about alternatives to the PPP. We do not know what those alternatives are, but it would be interesting to find out. Moreover, the Minister for Transport in London has said that the Government

"will not do a deal for a PPP at any cost".

However, the Chantrey Vellacott report that has been mentioned by hon. Members estimates that the Government's PPP proposals would impose an extra cost of no less than £7.8 billion to deliver the £7 billion of maintenance required on the London underground over and above the cost of the Government themselves financing the maintenance. The PPP process is therefore certainly not progressing with the support of many sections of the population or sectors of business.

Even more alarming are reports in today's press that Railtrack is perhaps the only contender for the PPP. We all know the Deputy Prime Minister's views on Railtrack. Recently, he said that Railtrack has been

"engaging in the blame culture which has characterised the industry in recent years."

Until recently, that was his view on Railtrack. He has had his doubts about Railtrack, and I am sure that they remain.

Ms Glenda Jackson: Forgive me if I misheard what the hon. Gentleman said, but did he really say that my right hon. Friend the Deputy Prime Minister blamed Railtrack for "the blame culture"?

Mr. Brake: I am quite happy to quote again the Deputy Prime Minister's comment. He said that Railtrack has been

"engaging in the blame culture which has characterised the industry in recent years."

I am simply repeating his words.

Ms Jackson: I clearly did not mishear the hon. Gentleman. However, if he had read everything that my right hon. Friend has said in that context, he will appreciate that my right hon. Friend was not singling out Railtrack for engaging in the blame culture, but urging the entire railway industry to move away from that culture.

5.45 pm

Mr. Brake: It may well be true that the Deputy Prime Minister was not singling out Railtrack specifically, but he was singling out the rail industry, of which Railtrack is a major player, generally.

What is the state of public-private partnership? We know that the tube system is deteriorating, and that concerns about the PPP are being expressed by various parties, companies and organisations. An alternative to PPP therefore must be found, which is why the Liberal Democrats have promoted the concept—which is supported by the Capital Transport Campaign—of a public interest company.

We believe that the concept of a public interest company is necessary as a fall-back position. It is not good enough for the official Opposition to propose ending the PPP entirely without proposing an alternative. Everyone knows that privatisation is not an alternative, as it would not receive the support of Londoners. It is therefore incumbent on parties to propose viable alternatives, such as a public interest company.

I hope that some Labour Members will agree that a public interest company is a viable alternative. Perhaps they will not actively and openly express their support for it today, but I hope that they are willing to work behind the scenes to promote it as an alternative to the Government's PPP proposals, which are rapidly running out of steam.

As the official Opposition have proposed no alternative to PPP, Liberal Democrat Members shall not be able to back them up on amendment No. 79. However, we call on the Minister to respond to the points that I have made on PPP, perhaps to give some ground on their PPP proposals, and to accept that, in the months and years to come, the mayor and assembly should be allowed to consider alternatives such as public interest companies.

Mr. John Randall (Uxbridge): Although we have heard many different views on the issue, I think that both sides of the House will be able to agree that—although it has improved in parts—the London underground system is in a parlous state. I speak as someone who has used the underground for a great many years, and even used it to go to school.

Mr. Tony McNulty (Harrow, East): That was a long time ago.

Mr. Randall: It was indeed a long time ago, demonstrating the extent of my experience in using the underground.

Today, as I came in from Uxbridge on the Metropolitan line, a delay was caused by a breakdown at Neasden, and the passengers in my carriage were not very happy about it. I also do not think that they would have been very impressed to hear the Minister say that time is not a factor in solving the underground's problems. People in my constituency who use the stations at Uxbridge, Ickenham and Hillingdon demand—and deserve—a better service.

Another major issue is how to reduce the number of cars driving into central London. That will not be easily achieved while the underground is in its current state.

We have heard various options for rectifying the problem. One option from what I hesitate to call old Labour is the injection of public money. The Government

[Mr. Randall]

would regard that as unacceptable. The Conservatives advocate privatisation and we have heard of the Liberal Democrats' idea of a public interest company. The public-private partnership that we have heard about seems to be the least acceptable option to the experts. I shall not repeat the full list of those who have been highly critical.

We should stop bandying investment figures about. It is time that the situation was resolved. The Government must realise that the public-private partnership is doomed from the start. We realised that in Committee when, in a sudden volte-face, the Government pulled out the clauses and said that they would come back to the issue, which is why we are debating it now.

Most Londoners thought that the Labour Government had a cunning plan. In the end, they have a PPP—a pretty pathetic plan.

Mr. Forth: I think that it was that great American President Ronald Reagan who said something like, "Here we go again." Here indeed we do go again. Yet again, we have before us another variant of the pathetic shambles that is the third way, in this case in the form of the mysterious PPP, which we are expected to believe will be the solution to what everybody knows are the problems of the London underground.

It has become ever clearer as we have debated the issue that the Government cannot decide whether they still believe in the virtues of public ownership—the Government or their agencies owning and running a facility—whether they have come the whole way in our direction and believe in the virtues of private ownership and management, or whether they would rather take refuge in something half way between, which is neither one nor the other and therefore has no credibility. I do not need to repeat the list that my hon. Friend the Member for Croydon, South (Mr. Ottaway) has given of the reputable sources—well most of them are reputable, although one or two of them are not quite so reputable—who have analysed the issue and come up with cold, thoughtful criticism of the kind that we have all come to recognise.

We are in a dangerous situation, with the Government groping their way forward—as they do on so many other issues, such as reform of the House of Lords and constitutional change—with no clear end position. They want us to trust them to come up with something and to believe that everything will be all right. We have heard that approach on many issues, and here we are in the same position today.

That is bad enough, but now, thanks to the close questioning of my hon. Friend the Member for Croydon, South, the Minister has admitted that she has no answer to the basic problem of the nature of the relationship between a mayor and a Government who take differing views on the way forward for the London underground. That is a serious matter. We are asked to take the role of the mayor and the assembly seriously. That is what the Bill is all about and what the referendum was supposed to be about. Here we have the clearest possible example of the Government failing utterly to work their way through the possible relationship between the Government, the London boroughs, the assembly and the mayor on the future of the London underground, its investment and management and the ultimate responsibility for it.

As I have always suspected, we are in danger of having institutionalised conflict between the different centres of power and authority for which there is no resolution. What was the Minister's answer? She said—in all seriousness, I assume—that we should not worry because only a Labour candidate would be elected as mayor and he would accept the Government's policy completely. That is odd, because we do not know what the Government's policy is and nor, apparently, do they. However, the Minister says that she does not need to give an answer about the relationship between the mayor and the Government on the London underground because the mayor will be a Government puppet.

Labour Members may have their own views on that. Regrettably, the hon. Member for Brent, East (Mr. Livingstone) is not here at the moment. Perhaps he has a view on that. I do not know. As we still do not know how the Labour party is going to select its candidate for mayor, I do not know how the Minister can be as confident as she appears to be that the Labour mayor will simply be a puppet of the Government who will accept completely the shambolic approach that they are offering for the future of the London underground. All is yet to be revealed.

It is not good enough for the Minister to say that we should trust the Government because it will be all right on the night and the mayor will probably not contest what the Government are doing. The Government do not really know what they are doing anyway, but, somehow, everything is supposed to work out. We are being asked to accept the Bill and the amendments in that context.

As if that were not bad enough, the Government new clauses contain all sorts of nonsense about a PPP arbiter. We do not know what the PPP is, how it will work and whether it will be biased towards the traditional public ownership approach that has failed this country so badly over many decades or the excitement and success of the new privatisation that we pioneered, and that the Government are playing with but have not quite come across to yet. The result is that a new bureaucrat will be set up to monitor, control or regulate the PPP, presumably because the Government do not know how it will work.

There are various provisions about how the arbiter will be appointed, the staff that he will have, the directions that he will take, guidance that will be given, the duties of the arbiter, the further powers of the arbiter, immunity and—that favourite of all bureaucrats—the expenses of the arbiter. We cannot leave expenses out, because the arbiter will obviously have to have loads of expenses. I do not want to detain the House by going into all those issues. Presumably, the Minister will tell us in detail why we need a PPP arbiter. I do not expect her to go into too much detail about the expenses, but that will all come out in due course.

All the provisions will add to the overhead burden of implementing whatever the Government want to do. All the measures that the Government have brought before us in these ill-thought-out, last minute changes to such an important Bill smack of a lack of thought and analysis and remind us that, every time that they do something, they add to the cost. Those who will bear the cost are the people who always bear the cost—the taxpayer and the users of the service. The combination may vary, but one thing is certain: the Government are telling the people of London, "Whatever we do to mangle your underground,

you, the London taxpayer and you, the users of the underground, will pay the bill, which will be substantial." That is not good enough.

6 pm

Mr. Sayeed: My hon. Friend the Member for Uxbridge (Mr. Randall) said that he used the tube to get to school. So did I—some years earlier than he did, I think. In the days when I first used the tube it cost half an old penny to go from Hampstead to Belsize Park.

Mrs. Eleanor Laing (Epping Forest): Gosh, you are old.

Mr. Sayeed: I am old. That shows how many years I have been using the tube. Without the tube, London would grind to a halt. We forget that more people travel on the tube than on the whole of the UK railways.

In the past, we condemned the Soviet Union for a number of things, one of which was its suppression of demand by increasing queues, permitting shortages and making sure that life did not work productively. We are doing exactly the same with the tube service.

Breakdowns on the tube have increased by more than one third, much to the irritation of our constituents and ourselves. We know that the Government have cut the subsidy to the tube. In the last 10 years of the Conservative Government—between 1987 and 1997—the average subsidy was £700 million. Under the Labour Government, the subsidy has been £500 million, and the subsidy will end in May 2000. There is nothing in the Treasury figures to show what will happen after that.

Mr. Mike Gapes (Ilford, South): Will the hon. Gentleman confirm that, in the last two Budgets of the right hon. and learned Member for Rushcliffe (Mr. Clarke), there were significant cuts in the funding of London underground and that the figures that he has given do not give the whole picture?

Mr. Sayeed: The hon. Gentleman is correct, but we must look at the entire 10-year period. We expected to denationalise London underground, and we were preparing it for that. As the Conservative Government had properly funded and expanded London underground enormously during their 18 years, there had been front-ended funding. To reassure the hon. Gentleman, I have no ideological hang-up about funding London underground. We should use the best system; whatever works.

When Price Waterhouse was asked about four options for future funding, the options were determined not by Price Waterhouse, but by the Government. In essence, the Government had determined the form of the funding for London underground. I find it extraordinary that the Government did not recognise that, if they decided to bring in a company of the repute of Price Waterhouse, they should have allowed it to decide on what it believed would work best. It would then have been for the Government to reject or accept it. However, the fact that the Government had determined the four options that Price Waterhouse was to look at meant that the company was constrained from looking at other options, including privatisation.

We are told often that the Government want an integrated transport policy. I regret to say that that is no more than a slogan. The Government, with the Bill—in terms of the incoherent proposals for the underground, London's main artery—are making sure that we will not have fewer cars on London's roads, but more. They are suppressing demand on the underground, they are pricing it out of existence, they are making sure that the public subsidy is cut and they are making sure that travelling on the underground is an increasing misery.

As I said, without the tube, London would grind to a halt. Without the tube, people would not get to their jobs to earn money and to produce a prosperous Britain. It is incumbent on any Government to produce a public transport system for the capital city that will work. This Government are clearly failing to do that, and the Bill—which demonstrates that they are confused as to what they should do in the future—deserves to fail.

Mr. Edward Davey: It is astonishing that we are having to consider 10 new clauses tonight. They are substantial new clauses, which change the dynamics of the commercial agreement to which the House is being asked to give its consent.

New clauses 37 to 46 are needed logically by the PPP in terms of the structure that the Government are proposing. With a 30-year lease to private sector companies, there is a need for review. In Committee—when the Minister surprised us with the announcement—it was stated that a review was needed because the technology might change, and that the agreement would have to be reviewed to take account of that.

There may be a need to review the performance of the contract, and how well the private sector company is doing with respect to the initial understanding. There is a need for a review to serve the interests of democracy. If we are to have elections for a mayor to oversee Transport for London, clearly the parameters of the agreement could be changed.

Mr. Brake: Am I right in thinking that when the Liberal Democrats proposed a review in earlier debates, the Minister pooh-poohed it?

Mr. Davey: My hon. Friend is right, but the Government have thought again. Within their own framework, there is a need for review, which shows the costs of their proposals. The right hon. Member for Bromley and Chislehurst (Mr. Forth) referred to the higher costs, and the Liberal Democrats contend that the Government's PPP proposal will be an incredibly expensive way of maintaining, developing and investing in the London underground.

In such contractual relationships, one must think of the risk involved. The private sector contractor must be compensated for those risks. There are risks inherent in such contracts, including construction risks; we have seen those on the Jubilee line extension, with the overruns and the difficulties in tunnelling. Such matters are difficult to know a priori, so compensation is needed.

There are funding risks, and we have heard about the higher costs for the private sector in terms of getting the capital—something to which my hon. Friend the Member for Carshalton and Wallington (Mr. Brake) referred. We have heard references to the Chantrey Vellacott estimates of the costs.

[Mr. Davey]

The new clauses, with the introduction of the arbiter, add another, expensive risk. Anyone signing such an agreement will know that the contracts may change in future, not just by agreement, but by fiat. New clause 40(6) states:

"A direction under subsection (3) above shall be final and binding . . . and shall, if and to the extent that the notice given under subsection (5) above so provides, take effect as a term of the PPP agreement."

There is no doubt that anyone signing up to such contracts could be forced by the PPP arbiter to have their commercial agreement rewritten—without their agreement, necessarily. Which company would enter such a commercial agreement unless it knew that it would be massively compensated up front? That is where the higher costs will come in as a result of the Government's proposals. The travelling public of London and the taxpayer will be asked to pay those higher costs.

In the *Financial Times*, the Minister said that one of the reasons for the arbiter was to make sure that companies did not make "windfall profits". When the potential bidders heard that, they were amazed. They find the idea that they will make huge profits ludicrous, considering all the risks involved. One of them was quoted as saying:

"We don't see enormous profits, but the risks are considerable."

The risks are indeed massive, and people will be persuaded to take them on only by up-front payment.

The complexity of the PPP agreements lies not only in the need to analyse the risks before drawing up the legal documents. Imagine the extra transaction costs involved in setting up the whole system. There will be huge bills from the lawyers, bankers and other consultants. In opposition, Labour Members criticised the Conservative Government for paying so much in consultancy fees when they privatised the railways. The new proposals do not avoid that, despite what the Government hoped. Arguably, the transaction costs will be much higher. They will not be one-off, either, because of all the reviews. The costs inherent in the system, by basic common-sense analysis, are incredibly high.

My hon. Friend the Member for Carshalton and Wallington made it clear that there are alternatives. We set them out in detail in Committee. The hon. Member for Croydon, South (Mr. Ottaway) spoke about the academic studies. If the Government had bothered to cross the pond to the United States of America, of which the right hon. Member for Bromley and Chislehurst (Mr. Forth) is so enamoured, they would have seen, in the hotbed of capitalism, examples of public sector owners operating public transport systems in urban areas incredibly successfully.

John Kramer took over Chicago's urban railway company—it is overground as well as underground—when it was in a total mess and had been deteriorating because the previous public sector operation had not invested in it, but he was able to make it a success by issuing bonds, backed up by ticket revenue and state taxes, so that the people who provided the private finances knew that the returns would be stable. Over 20 years, he issued more than $20 billion-worth of bonds. That money enabled his management team to plan investment with certainty and transform Chicago's transportation system into the envy of the country.

That was a public sector option, using private sector capital, which is what the Liberal Democrats are arguing for. It has worked in America, and the Government could easily take it up. The hon. Member for Leyton and Wanstead (Mr. Cohen) made that point in a brave and excellent speech, and some Labour Members, including the hon. Member for Hayes and Harlington (Mr. McDonnell), signed the Liberal Democrats' early-day motion calling for a public interest company.

Many hon. Members support our approach. One would have thought that it was right up the Government's street and that the Deputy Prime Minister would have loved to adopt it. There is a huge battle raging in the Labour party between the privatisers in the Treasury and the people who take a different approach in the Department of the Environment, Transport and the Regions; unfortunately, the Deputy Prime Minister and his friends are not winning.

The Minister pooh-poohs all press reports, but I am pleased to say that we have heard that the Deputy Prime Minister has had an emergency meeting with the Chief Secretary and other Treasury Ministers to find out whether there is an escape route and they can get out of this mess. We have offered them an escape route in new clauses 5 and 9. I think that the way out that we have offered in case the Government cannot make a go of their scheme would attract a lot of support.

6.15 pm

Mr. Simon Hughes: We are offering the Government a way, which I hope they will accept, even at this late stage, of getting off the hook. The great benefit of the public interest company, as in the Chicago scheme, is that it combines democratic accountability—it is run by those who are elected—with having more stakeholders. More people in the community publicly and openly participate, in that their finances feed the system and make it run, but it is controlled by those who are elected to that function.

Mr. Davey: That is absolutely right. Ours is a democratic and transparent option, as well as being the most efficient. It is the best value for money for both passengers and taxpayers. That is why my hon. Friend the Member for Carshalton and Wallington has today written to the Public Accounts Committee asking it to investigate the accounting of the PPP.

The Government will get their way and railroad through their 10 new clauses and the PPP scheme, even though the provisions are ill thought through and we will probably need to make many changes by regulation or by other means. The Public Accounts Committee needs to investigate, because in years to come the scheme will be seen to be an atrocious use of taxpayers' money.

The PPP proposal is the Government's worst mistake since they came to power. It is a total shambles and will be proved to be so in years to come.

Ms Glenda Jackson: I wondered whether the Conservative and Liberal spokesmen had rehearsed their contributions. They have been joined at the hip. I will ensure that the people of London know precisely what approach both the Conservative party and the Liberal Democrats take to the overwhelmingly important issue for London of how we attract sustainable funding to improve our underground.

We have heard not one word from the official Opposition or the Liberal Democrats on how they would do that. We have heard endless fantasy, misrepresentation and scaremongering. Both parties have clearly failed to familiarise themselves with our proposals on the public-private partnership. The absurdities that have emanated from the lips of Opposition Members have been scandalous.

When in power, the Conservatives proposed privatisation for the underground. The hon. Member for Uxbridge (Mr. Randall) was much concerned about what he considered a wilful waste of time by the Government over the public-private partnership. Is he aware that the Conservative Government's privatisation proposals would, by the estimate of the then Secretary of State for Transport, have taken at least four years to be fully implemented, even though they planned to reduce the underground by a third? The then Secretary of State informed the then Chancellor that, even post privatisation, they were looking for at least £190 million a year to be invested in the underground.

Mr. Ottaway: How do you know that?

Ms Jackson: We know that because the notes between the two of them were deliberately leaked. That was one of the reasons why the people of London expressed their total opposition to the Conservative party's proposal to privatise and why they have endorsed the Government's proposal for a public-private partnership.

The hon. Member for Kingston and Surbiton (Mr. Davey) repeated the Liberal Democrats' favourite call about bonds issues, which he says work extremely well in America. He forgets that those major American cities that were brought to bankruptcy and beyond not only by issuing bonds for financing capital investments, but by breaking out of any overarching control over public borrowing for major investment.

We have made it abundantly clear that we believe in true fiscal prudence—and certainly in this area.

Mr. Brake: Will the Minister give way?

Ms Jackson: No. I shall finish my point, if the hon. Gentleman will allow me to do so.

It is absurd to presuppose that a public-private partnership evinced by this Government will do anything other than produce the best possible value for the taxpayer and the people of London by ensuring adequate investment. There will be no massive hike in fares, as the scaremongers on the Conservative and Liberal Democrat Benches have said in an attempt to delude the House and the people of London. There will be the certainty of long-term, sustained investment, which will improve the underground and its services.

Mr. Brake: Will the Minister give way?

Ms Jackson: No.

The representation of the London underground given by the hon. Member for Uxbridge (Mr. Randall) was less than fair. He neglected to mention the programme of investment in which this Government have already engaged. We managed to find an additional £365 million for London underground when we came to office, which is improving escalators, tracks and signalling. The sum has enabled the underground to prioritise issues of access at core stations. Over time, such stations will become truly accessible to everybody in London.

If anyone genuinely believes that the deterioration that the hon. Member for Uxbridge described has come about over the past two years, they are clearly as misguided as Opposition Members. Such deterioration does not occur in the space of two years. It is the accumulation of more than a decade of neglect by the previous Administration. I sincerely hope that if Conservative and Liberal Democrat Members are not persuaded to withdraw the amendments, the House will reject them out of hand.

I think that it would now be appropriate to speak to Government new clauses 37 to 46. I was surprised by the astonishment expressed by the hon. Member for Kingston and Surbiton on these new clauses because I announced in Committee that the Government would be tabling amendments on Report to facilitate the establishment of an arbiter. I explained to the Committee that the mayor and PPP contractors would need to review future underground investment from time to time. The PPP contracts will therefore set out the procedures for periodic reviews, which will be held every seven and a half years or so.

The scaremongering of the hon. Member for Kingston and Surbiton, who says that such reviews would lead to excessive and overweening costs, is unfounded. It is abundantly clear that the need for an arbiter will arise only if there is any basic disagreement between the mayor and the contractor. We expect the reviews to be conducted in a spirit of partnership, but it is inevitable that two parties may not always be able to agree. Therefore, it is necessary to provide for an arbiter. The parties to the contract will be able to refer unresolved matters to the arbiter, who will give a direction that is binding on both of them—unless both agree not to give effect to it.

I sent Members who served on the Committee an explanatory note which gives a brief summary of the new clauses. Copies have also been placed in the Library. It may, however, help the House if I describe the general purpose and effect of the new clauses.

New clause 37 provides for the appointment of the arbiter by the Secretary of State. The Government's intention is that there should be one arbiter for all three PPP contracts. Subsection (6) is therefore particularly important, in that it requires the Secretary of State to consult such persons as he considers appropriate before making an appointment.

New clause 38 makes provision concerning the terms of appointment and dismissal of the arbiter. New clause 39 deals with the appointment of staff and their ability to discharge functions on behalf of the arbiter. New clause 40 sets out the arbiter's powers to give directions on matters referred to him by the parties to a PPP agreement. As I have mentioned, such directions are to be binding on the parties unless they both agree not to give effect to them.

New clause 41 gives the arbiter a power to give non-binding guidance to the parties where they jointly refer a matter to him. The purpose of the new clause is to encourage the parties to reach agreement between themselves, in the light of the arbiter's guidance, without relying on a binding direction.

[Ms Jackson]

New clause 42 sets out the arbiter's duties when making directions or giving guidance. New clause 43 sets out further powers of the arbiter, including one to inspect relevant assets. New clause 44 empowers the arbiter to collect information that he considers relevant to the discharge of his functions. New clause 45 removes the liability of the arbiter and his staff for any acts or omissions, unless they can be shown to have been committed in bad faith. New clause 46 provides for the funding of the arbiter by the Secretary of State and for the recovery of costs from the parties concerned.

These are important new clauses. They are intended to ensure that future investment needs of the London underground can be reviewed in the knowledge that the parties may call on an independent third party to issue binding directions when there are unresolved differences. The new clauses give the arbiter the necessary powers and duties to carry out such a task in a way that should be reassuring both to the mayor and Transport for London, and to PPP contractors.

The new clauses are yet another example of the care and attention to detail that the Government have brought to bear not only on the PPP, but on the Bill. So far from the shallow and fantastic criticism that hon. Members have levelled at the Government to the effect that the PPP project is some shambles, the Government will ensure, via the PPP, adequate, sustainable, long-term funding so that when the underground is transferred to the mayor, it will be able to deliver the modern underground services that the people of London so desperately need.

We have been meticulous in assuring ourselves that the model on which we base the definition of PPP contracts will deliver the best possible value to the taxpayer and, of course, to the underground itself. We have made it abundantly clear that, unlike the previous Administration, we will not be driven by empty ideology, or labour under the burden of an artificially imposed time scale. We will not be tinkering with Liberal Democrat proposals on financing the underground. I have serious difficulty in believing that the Liberal Democrat proposals could adequately fund a toy train over a long time, let alone cope with the complexities of the London underground.

It is this Government, with their imaginative and innovative approach not only to local government but to genuine partnership, who will deliver for London the democratic voice that it has so long desired and the means of ensuring that the underground will be properly and adequately funded in the long term. I commend the new clauses to the House.

Mrs. Laing: It is unfortunate that the Minister still blindly refuses to recognise the great success of privatisation of the railways, which has put Railtrack in a position today to declare that it wants to take over the underground. Would not that be a great way of using the resources that Railtrack has built up for the benefit of users of London underground and all the people of London? Dogma prevents the Minister and her colleagues from envisaging how well such a system would work.

Will the Minister confirm that, whatever conditions are imposed on whichever company or organisation runs the underground, all services that are currently provided, especially those beyond the Greater London boundary—in other words, in my constituency at the end of the Central line—will continue to run?

6.30 pm

Ms Jackson: I am most grateful to the hon. Lady for giving way. If I remember correctly, she asked the same question on Second Reading. My answer now is the same as the one that I gave then.

It being half-past Six o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [30 April]:—*

The House divided: Ayes 112, Noes 283.

Division No. 165] **[6.30 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Baldry, Tony
Beggs, Roy
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Butterfill, John
Cash, William
Chope, Christopher
Clark, Rt Hon Alan *(Kensington)*
Clark, Dr Michael *(Rayleigh)*
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cran, James
Curry, Rt Hon David
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Donaldson, Jeffrey
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fraser, Christopher
Garnier, Edward
Gibb, Nick
Gill, Christopher
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, Rt Hon David
Hogg, Rt Hon Douglas
Horam, John
Howard, Rt Hon Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, Rt Hon Michael
Jenkin, Bernard
Johnson Smith, Rt Hon Sir Geoffrey
Key, Robert
King, Rt Hon Tom *(Bridgwater)*
Lansley, Andrew
Leigh, Edward
Lidington, David
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
Lyell, Rt Hon Sir Nicholas
MacKay, Rt Hon Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Nicholls, Patrick
Ottaway, Richard
Page, Richard
Paterson, Owen
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Rowe, Andrew *(Faversham)*
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Simpson, Keith *(Mid-Norfolk)*
Soames, Nicholas
Stanley, Rt Hon Sir John
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher & Walton)*
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Viggers, Peter

Walter, Robert
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Willetts, David
Wiltshire, David
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Mrs. Eleanor Laing and Sir David Madel.

NOES

Abbott, Ms Diane
Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Janet *(Rossendale)*
Armstrong, Rt Hon Ms Hilary
Ashton, Joe
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Beith, Rt Hon A J
Bell, Martin *(Tatton)*
Bell, Stuart *(Middlesbrough)*
Benn, Rt Hon Tony
Bennett, Andrew F
Bermingham, Gerald
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, Rt Hon David
Boateng, Paul
Borrow, David
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brake, Tom
Brand, Dr Peter
Breed, Colin
Brinton, Mrs Helen
Brown, Rt Hon Nick *(Newcastle E)*
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnett, John
Burstow, Paul
Butler, Mrs Christine
Byers, Rt Hon Stephen
Cable, Dr Vincent
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Campbell–Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Chaytor, David
Church, Ms Judith
Clark, Rt Hon Dr David *(S Shields)*
Clark, Dr Lynda *(Edinburgh Pentlands)*
Clarke, Charles *(Norwich S)*
Clarke, Eric *(Midlothian)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Cov'try S)*
Dalyell, Tam
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobbin, Jim
Dobson, Rt Hon Frank
Donohoe, Brian H
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Etherington, Bill
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Lorna
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Gapes, Mike
Gardiner, Barry
George, Andrew *(St Ives)*
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Gunnell, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Heal, Mrs Sylvia
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Hewitt, Ms Patricia
Hill, Keith
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hoon, Geoffrey
Hope, Phil
Howarth, George *(Knowsley N)*
Hoyle, Lindsay
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Barry *(Alyn & Deeside)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Jon Owen *(Cardiff C)*
Jones, Dr Lynne *(Selly Oak)*
Keeble, Ms Sally
Keen, Ann *(Brentford & Isleworth)*
Kelly, Ms Ruth
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Laxton, Bob
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Lock, David
Love, Andrew
McAvoy, Thomas
McCafferty, Ms Chris
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall, Jim *(Leicester S)*
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Morley, Elliot
Mountford, Kali
Mullin, Chris
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
Olner, Bill
Organ, Mrs Diana
Palmer, Dr Nick
Pearson, Ian
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prosser, Gwyn
Purchase, Ken
Radice, Giles
Rammell, Bill
Rapson, Syd
Raynsford, Nick
Robertson, Rt Hon George *(Hamilton S)*
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheldon, Rt Hon Robert
Singh, Marsha
Skinner, Dennis
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Snape, Peter
Soley, Clive
Southworth, Ms Helen
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Steinberg, Gerry
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Strang, Rt Hon Dr Gavin
Stringer, Graham
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Wills, Michael

Winnick, David
Wise, Audrey
Wood, Mike
Wray, James
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*

Tellers for the Noes:
Mr. Kevin Hughes and
Mr. David Jamieson.

Question accordingly negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

New Clause 37

THE PPP ARBITER

'.—(1) The Secretary of State may appoint a person to an office to be known as "the Public–Private Partnership Agreement Arbiter" (in this Act referred to as the "PPP arbiter").

(2) The PPP arbiter shall have the functions conferred or imposed on him by or under this Act.

(3) The PPP arbiter shall be a corporation sole by the name of "the Public–Private Partnership Agreement Arbiter".

(4) If at any time no person holds the office of PPP arbiter, the Secretary of State shall appoint a person to that office if requested in writing to do so by a party to a PPP agreement.

(5) A request under subsection (4) above must not include a request for a particular person to be appointed.

(6) Before making an appointment under subsection (1) or (4) above, the Secretary of State shall consult such persons as he considers appropriate concerning—

(a) the person to be appointed; and

(b) the terms of the appointment.

(7) The office of PPP arbiter may not be held by—

(a) the Mayor;

(b) an Assembly member;

(c) the Authority or a member of staff of the Authority;

(d) Transport for London or a subsidiary of Transport for London; or

(e) a member of Transport for London or a director of a subsidiary of Transport for London.

(8) The offices of Rail Regulator and PPP arbiter may be held by the same person.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 38

TERMS OF APPOINTMENT ETC OF THE PPP ARBITER

'.—(1) A person appointed to be the PPP arbiter shall be appointed for such term as may be specified or described in the instrument appointing him and shall hold and vacate office as the PPP arbiter in accordance with the terms of his appointment.

(2) There shall be paid to the PPP arbiter such remuneration, and such travelling and other allowances, as the Secretary of State may determine.

(3) There shall be paid such pension, allowance or gratuity to or in respect of the PPP arbiter, or such contributions or payments towards provision for such a pension, allowance or gratuity, as the Secretary of State may determine.

(4) A person may resign from office as the PPP arbiter at any time by giving notice to the Secretary of State.

(5) The Secretary of State may remove a person from office as the PPP arbiter—

(a) on the ground of incapacity or misbehaviour; or

(b) where the Secretary of State considers that there has been unreasonable delay in the discharge of the functions of the PPP arbiter.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 39

STAFF OF THE PPP ARBITER

'.—(1) The PPP arbiter may appoint such staff as he may determine, subject to any restrictions contained in the terms of his appointment.

(2) The staff of the PPP arbiter shall be appointed on such terms and conditions as he shall determine, subject to any restrictions contained in the terms of his appointment.

(3) Any function of the PPP arbiter may be exercised by any member of his staff authorised for the purpose by him or, if there is no person who holds the office of PPP arbiter, by the relevant authority, whether specially or generally.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 40

DIRECTIONS OF THE PPP ARBITER

'.—(1) A PPP agreement may provide for matters of any description specified in the agreement to be referred to the PPP arbiter.

(2) A party to a PPP agreement may refer to the PPP arbiter for direction any matter of a description specified in a provision of that agreement by virtue of subsection (1) above.

(3) Where a matter is referred under this section to the PPP arbiter for direction he—

(a) shall give a direction in relation to that matter, and

(b) may give a direction in relation to any other matter which he considers relevant to the matter referred.

(4) The directions that may be given under subsection (3) above include directions relating to the inclusion of new terms in, or the variation of existing terms of, the PPP agreement in question.

(5) The PPP arbiter shall give notice of any direction under subsection (3) above to the parties to the PPP agreement in question.

(6) A direction under subsection (3) above shall be final and binding—

(a) on the parties to the PPP agreement in question, and

(b) on any persons claiming through or under those parties,

and shall, if and to the extent that the notice given under subsection (5) above so provides, take effect as a term of the PPP agreement.

(7) Where a direction has been given under subsection (3) above, the parties to the PPP agreement in question may jointly agree that subsection (6) above is not to have effect in relation to that direction.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 41

GUIDANCE BY THE PPP ARBITER

'.—(1) The parties to a PPP agreement may jointly agree to refer any matter relating to the agreement to the PPP arbiter for consideration.

(2) Where a matter is referred by virtue of subsection (1) above to the PPP arbiter for consideration he shall consider the matter and shall give to the parties who referred the matter such guidance as he considers appropriate.

(3) The guidance which may be given by the PPP arbiter by virtue of subsection (2) above includes guidance about any matter which he considers relevant to the PPP agreement in question.

(4) Where the PPP arbiter has given any guidance under this section in relation to a matter which is subsequently referred to him for direction under subsection (3) of section (*Directions of the PPP arbiter*) above, the direction which may be given by the PPP arbiter under that subsection is not restricted by that guidance.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 42

DUTY OF PPP ARBITER

'.—(1) In giving in relation to a PPP agreement—

(a) any direction under section (*Directions of the PPP arbiter*)(3) above, or

(b) any guidance under section (*Guidance by the PPP arbiter*)(2) above,

the PPP arbiter shall act in the way he considers best calculated to achieve the objectives specified in subsections (2) to (5) below.

(2) The objective specified in this subsection is to ensure the performance of the PPP agreement in question so as to secure that the railway infrastructure to which the agreement relates—

(a) is provided, constructed, renewed or improved, as the case may be, and

(b) is maintained,

having regard to the resources available to any relevant body which is a party to the agreement.

(3) The objective specified in this subsection is to promote efficiency and economy—

(a) in the provision, construction, renewal, or improvement, as the case may be, and

(b) in the maintenance,

of the railway infrastructure to which the PPP agreement in question relates.

(4) The objective specified in this subsection is to enable any PPP company which is a party to the PPP agreement in question, and which the PPP arbiter considers to be efficient and economic in performing the agreement, to earn the rate of return incorporated in the agreement.

(5) The objective specified in this subsection is to enable any PPP company which is a party to the PPP agreement in question to plan the future performance of the agreement with reasonable certainty.

(6) In giving any such direction or guidance as is mentioned in subsection (1) above the PPP arbiter is to take account of any factors which—

(a) are notified to him by the parties to the PPP agreement in question, acting jointly, as factors to which he must have regard when giving the direction or guidance in question, or

(b) are factors specified or described in the PPP agreement in question as factors to which the PPP arbiter must have regard in giving any direction under section (*Directions of the PPP arbiter*)(3) above or any guidance under section (*Guidance by the PPP arbiter*)(2) above.

(7) For the purposes of subsection (4) above, a rate of return is "incorporated in a PPP agreement" if, and only if, the agreement—

(a) makes provision for the rate of return to be earned under the agreement by the PPP company concerned, and

(b) states that subsection (4) above is to have effect in relation to that provision.

(8) In this section "railway infrastructure" means the railway or proposed railway in question and includes a reference to any stations, rolling stock or depots used or to be used in connection with that railway.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 43

FURTHER POWERS OF THE PPP ARBITER

'.—(1) For the purposes of the proper discharge of the functions conferred or imposed on him by or under this Act, the PPP arbiter may—

(a) carry out inspections of such of the railway infrastructure or equipment belonging to, or under the control of, any party to a PPP agreement as he considers appropriate;

(b) consult such bodies or persons as he considers appropriate in relation to any direction or guidance given or proposed to be given by him;

(c) do all such things as he considers appropriate for or in connection with the giving of a direction under section (*Directions of the PPP arbiter*)(3) above or guidance under section (*Guidance by the PPP arbiter*)(2) above; and

(d) do such other things as he considers necessary or expedient.

(2) The powers conferred on the PPP arbiter by this section and section (*Provision of information to the PPP arbiter*) below are exercisable for purposes preparatory or ancillary to the giving of directions or guidance under this Chapter generally and notwithstanding that there is no matter in relation to which a direction under section (*Directions of the PPP arbiter*)(3) above, or guidance under section (*Guidance by the PPP arbiter*)(2) above, is required.

(3) In this section "railway infrastructure" has the same meaning as in section (*Duty of PPP arbiter*) above.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 44

PROVISION OF INFORMATION TO THE PPP ARBITER

'.—(1) Any person falling within subsection (2) below shall, at the request of the PPP arbiter, provide him with such information as the PPP arbiter considers relevant to the proper discharge of the functions conferred or imposed on him by or under this Act and as may be specified or described in the request.

(2) The persons who fall within this subsection are—

(a) any party to a PPP agreement;

(b) any associate of a party to a PPP agreement; and

(c) any party to a related third party agreement within the meaning of section [One44 above.

(3) The information shall be provided in such form and manner, and within such time, as may be specified in the request.

(4) A person is not obliged by virtue of this section to provide any information which he would be entitled to refuse to provide in or for the purposes of proceedings in a court in England and Wales.

(5) For the purposes of subsection (2)(b) above, "associate", in relation to a party to a PPP agreement, means—

(a) a parent undertaking of that party;

(b) a subsidiary undertaking of any parent undertaking of that party;

(c) a subsidiary undertaking of that party; or

(d) an undertaking in which that party, or any undertaking falling within paragraphs (a) to (c) above, has a participating interest.

(6) For the purposes of subsection (5) above—

"parent undertaking" and "subsidiary undertaking" shall be construed in accordance with section 258 of the Companies Act 1985;

"undertaking" has the meaning given by section 259 of that Act; and

"participating interest" has the meaning given by section 260 of that Act.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 45

IMMUNITY OF PPP ARBITER

'.—(1) The PPP arbiter is not liable for anything done or omitted in the discharge or purported discharge of his functions as the PPP arbiter unless the act or omission is shown to have been in bad faith.

(2) Subsection (1) above applies to a member of the staff of, or an agent of, the PPP arbiter as it applies to the PPP arbiter.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 46

EXPENSES OF THE PPP ARBITER

'.—(1) The following expenses, namely—

(a) any sums payable by virtue of section *(Terms of appointment etc of the PPP arbiter)*(2) or (3) above, and

(b) any expenses duly incurred by the PPP arbiter or by any staff of the PPP arbiter,

shall be defrayed by the Secretary of State.

(2) A relevant body which is a party to a PPP agreement shall pay to the Secretary of State, at such times as he may direct, such sums as the Secretary of State may determine in respect of expenses defrayed by the Secretary of State under subsection (1) above.

(3) A PPP agreement may provide that sums paid by a relevant body by virtue of subsection (2) above, or any portion of such sums as may be specified or described in the PPP agreement, may be recovered by the relevant body from a PPP company which is a party to the PPP agreement.

(4) Where a PPP agreement includes provision by virtue of subsection (3) above making any sum recoverable by a relevant body, the directions which may be given under section *(Directions of the PPP arbiter)*(3) above include directions varying the amount so recoverable.

(5) Sums received by the Secretary of State by virtue of this section shall be paid into the Consolidated Fund.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

Clause 187

TRAVEL CONCESSIONS ON JOURNEYS IN AND AROUND GREATER LONDON

Amendment made: No. 88, in page 100, leave out lines 6 to 8 and insert—

'(b) which by virtue of section *(Continuity: repealed or revoked functions of LRT)* above has effect as if made by Transport for London.'.—*[Mr. Dowd.]*

Schedule 9

OPERATING POWERS OF TRANSPORT FOR LONDON

Amendments made: No. 89, in page 192, line 32, leave out

'before it ceases to exist.'.

No. 90, in page 197, line 37, leave out

'before it ceases to exist.'.

No. 91, in page 198, line 23, leave out from 'contract' to 'notwithstanding' in line 24 and insert

'which by virtue of section *(Continuity: repealed or revoked functions of LRT)* of this Act has effect as if made by Transport for London.'.—*[Mr. Dowd.]*

Schedule 13

PENALTY FARES

Amendment made: No. 92, in page 214, leave out lines 20 to 22 and insert—

'(b) which by virtue of section *(Continuity: repealed or revoked functions of LRT)* of this Act has effect as if made by Transport for London.'.—*[Mr. Dowd.]*

Clause 222

ROAD USER CHARGING

Mr. Ottaway: I beg to move amendment No. 80, in page 121, line 36, leave out clause 222.

Mr. Deputy Speaker (Sir Alan Haselhurst): With this, it will be convenient to discuss the following: Amendment No. 25, in page 121, line 36, after '(1)', insert

'Where the revenue raised is to be invested solely and exclusively in better provision for public transport, cycling and walking in Greater London'.

Amendment No. 81, in page 121, line 41, leave out 'keeping or'.

Amendment No. 83, in schedule 18, page 230, line 36, leave out Schedule 18.

Amendment No. 82, in page 230, line 45, leave out 'keeping or'.

Government amendments Nos. 140 and 141.

Amendment No. 8, in page 235, line 12, leave out from 'scheme' to third 'the' in line 13.

Amendment No. 9, in page 235, line 14, leave out

'during the scheme's initial period'.

Amendment No. 10, in page 235, line 19, leave out from '(2)' to 'the'.

Amendment No. 11, in page 235, leave out lines 24 to 27.

Amendment No. 12, in page 235, leave out lines 32 to 40.

Amendment No. 13, in page 236, line 36, leave out from beginning to end of line 2 on page 237.

Amendment No. 14, in page 237, leave out lines 24 to 38.

Government amendment No. 142.

Amendment No. 26, in clause 223, page 122, line 3, after '(1)', insert

'Where the revenue raised is to be invested solely and exclusively in better provision for public transport, cycling and walking in Greater London'.

Government amendment No. 143.

Amendment No. 15, in schedule 19, page 247, line 6, leave out from 'scheme' to third 'the' in line 7.

Amendment No. 16, in page 247, line 8, leave out

'during the scheme's initial period'.

Amendment No. 17, in page 247, line 13, leave out from '(2)' to 'the'.

Amendment No. 18, in page 247, leave out lines 18 to 21.

Amendment No. 19, in page 247, leave out lines 26 to 34.

Amendment No. 20, in page 248, leave out lines 28 to 44.

Amendment No. 21, in page 249, leave out lines 16 to 30.

Government amendment No. 144.

New clause 6—*Traffic disruption charge*—

'(1) Where the money is to be invested solely and exclusively in better provision for public transport, cycling and walking in Greater London, each of the following bodies, namely,

(a) the Authority,

(b) any London borough council, or

(c) the Common Council,

may establish and operate schemes for imposing charges in respect of any disruption caused by works to roads, pavements or cycle lanes in their area.'.

Government amendment No. 145.

6.45 pm

Mr. Ottaway: This debate is on road pricing. It would be sensible to get some myths out of the way before the debate begins. We concede that a transport Green Paper in the early 1990s, towards the end of the previous Government's time in office, said that there was a presumption that road pricing would be introduced. A Green Paper is a consultation document, not a statement of policy. That would not therefore have been a national policy as defined in the Bill.

Secondly, a presumption in a Green Paper can be rebutted, and the Government should be under no illusion but that that idea was rebutted. The proposal was not taken forward. The proposal to introduce road pricing did not appear in the Conservative party manifesto in 1997. It never formed a part of our policy.

We share the concern of all political parties about the problem of congestion. There is widespread concern about pollution caused by cars and other motor vehicles. The challenge to Governments of either persuasion is how to manage the car. In our view, clobbering the motorist is not the solution, and we reject outright the Government's anti-car rhetoric. Furthermore, making London the pilot scheme for congestion tax stands logic on its head. I can think of nowhere less suited and nowhere that would pose greater technical problems.

Amendment No. 81 may be described as the lesser of our two amendments. It would delete the power from clause 222 to impose a charge for keeping a vehicle on the road. That charge is not a road user charge or a congestion tax. It is just another stealth tax. The clause permits the mayor and the London boroughs to impose a further levy for parking or keeping a car within a certain area. It is a further back-door tax that has nothing to do with congestion, and we oppose it.

The main issue is the congestion tax, however. Already, 83 per cent. of commuters travel in and out of London by public transport. Public transport in central London is good, although that is, of course, a relative term. It is certainly better than in other cities in Britain and in most cities in the rest of the world. Whether under Labour or the Conservatives, public transport in London has been good. A wide variety of choice is available. By and large, and subject to the usual technical problems, the system gets people around the capital.

As a result, road traffic in central London is not growing. The Automobile Association notes:

"Road traffic levels within central London have hardly changed in 20 years. However, traffic levels in the outer areas have increased by 50 per cent in just 15 years."

The question is whether central London is the right place to impose a congestion tax. People like their cars, the most liberating influence of the post-war years. Cars allow people a freedom to travel that their parents and grandparents never knew. People feel safe in their cars. Mothers use them to take children to school. Nurses use them for their night duty. Pensioners or disabled people use their cars to get to the shops. These are the people who will be hardest hit by the congestion tax.

Let me turn to traffic speed. The AA, once again, states:

"Travel by vehicle through central London has always been slow going because of the high frequency of junctions. In outer areas, speeds tend to be higher. Overall traffic speeds are declining in London, though less so in the central area because traffic levels have reduced slightly."

Traffic speeds have slowed more generally in London and that is in large part attributable to the Government's anti-car stance. We are all in favour of pedestrian safety and of ensuring that drivers proceed safely, but do we really need each and every one of the extra crossings, traffic-calming measures and lane reductions that are currently being introduced? The widespread view is that the use of such measures has gone too far, and I have no doubt that it is a contributory factor to the reduction in traffic speeds in the capital.

I said on Second Reading and in Standing Committee that we have to hand it to the Government: they slow down the traffic and thereby create congestion, which they then tax—that is a smart move. The truth is that many of the traffic jams are man-made; they could be avoided and traffic could be speeded up through more pro-motorist thinking.

Mr. Simon Hughes: I recall the hon. Gentleman saying in Committee how strongly he supported local government in London being able to make its own decisions, so I find it difficult to understand why he criticises the Government on this point, given that most of the decisions on traffic calming are local borough decisions and will remain so. Why is the Tory party coming out, not against a proposition that there will be road charging, but against a proposition that, the issue having been debated during the election, those elected to represent Londoners may choose to impose road charging?

Surely Tory policy, if it means anything, is to give freedom to local government and other authorities to make decisions; but the hon. Gentleman wants to restrict London's choices by removing altogether one of the options available to it.

Mr. Ottaway: It is perfectly straightforward: we are against the congestion tax in London. As for the

[Mr. Ottaway]

introduction of traffic-calming measures being a local authority decision, the hon. Gentleman should recall that, about a year ago, the Government proudly published a press release in which they announced that they had authorised huge levels of spending for thousands of new traffic-calming measures in London. That was Government money being spent on schemes instigated by the Government, and the local authorities were nothing but the agents of implementation; the Government inspired the initiative and the drive behind the schemes came from the centre.

Mr. Hughes: A large proportion of the money will have been taxpayers' money because a large proportion of transport spending in Britain comes from the taxpayer by way of grant to local government. In some ways, for some purposes, local authorities are agents, but to my knowledge no local council has been required to spend money against its wishes on traffic-calming schemes. If the hon. Gentleman can give me one example to the contrary, his case has credibility—but I suspect that there is no such example.

Mr. Ottaway: The hon. Gentleman has caught me unawares and I do not have such an example to hand, but he should not doubt that, if a local authority is given money, it will spend it. The truth is that if the Government take the credit for the schemes, they must be prepared to take the criticism as well. Let us suppose that I am wrong and the hon. Gentleman is right and that all the measures are entirely local-authority inspired; in that case, the local authorities are creating the congestion. However, the point is that the slowing down of traffic and the increase in congestion is, to a large extent, man-made.

Two of the hon. Gentleman's colleagues—the hon. Members for Carshalton and Wallington (Mr. Brake) and for Kingston and Surbiton (Mr. Davey)—are constituency neighbours of mine, and they might occasionally visit Coulsdon in my constituency; in fact, I know that one of them has, because he wrote to me to tell me so. The red route director has put no fewer than three pedestrian crossings across the A23 route into Coulsdon, which has caused tailbacks north and south of about a mile each way. Those tailbacks never occurred before the crossings were introduced, so the congestion is a man-made problem. The existing pedestrian crossings worked fine, but now that the additional traffic lights have been put in, we have huge tailbacks.

Mr. Edward Davey: Is the hon. Gentleman saying that all traffic-calming and road-safety measures cause congestion? The Minister for London and Construction was kind and helpful in working with local police and me to reduce the speed limit on the A3 Kingston bypass, which has improved the flow of traffic on that road and so reduced congestion.

Mr. Ottaway: If the hon. Gentleman thinks that the reduction in speed on the A3 Kingston bypass is popular, he has another think coming.

Mr. Davey: It is popular in my constituency.

Mr. Ottaway: Perhaps it is in the hon. Gentleman's, but it certainly is not in mine.

Mr. Simon Hughes: I do not want to distract the hon. Gentleman from the wider issues, but I am perplexed. Is he arguing that, for example, many more bus lanes in London would be a bad thing because, although they would allow buses a greater speed of travel, they would have an adverse impact on car users? If we enhance the safety of pedestrians and cyclists and the speed of buses, we are bound occasionally to run the risk of car transport being slowed, but that might be an incentive for people to use different forms of transport, or to go around London rather than through it.

Mr. Ottaway: I certainly do not suggest that all the measures are not wanted. My point is that I think that the balance might have begun to tip too far in one direction. If a speed limit of 25 mph were to be imposed throughout London, the whole city would grind to halt, just as a 25-mph speed limit on a motorway would clog up the whole road, because any trip would take twice as long and twice as many cars would be on the same stretch of road. There has to be joined-up thinking—

Mr. Deputy Speaker: Order. I have seen an awful lot of the hon. Gentleman's back in the past few minutes. He should address the Chair.

Mr. Ottaway: I beg your pardon, Mr. Deputy Speaker. I was carried away by the interventions.

Before the Liberal Democrats put out their press releases saying "Tories oppose safety measures", alongside the one about the cracked paving stone, they should think seriously. Their holy grail appears to be the removal of congestion from London's roads, but that is unachievable, because if a motorist sees an empty road, the first thing he will do is drive down it—he will not take the bus. Congestion, once cleared, will return. The point is that many of the safety measures slow down traffic in London, and those measures are the result of Government decisions.

The Government have given three reasons for proposing to introduce a congestion tax: first, to persuade the motorist to leave his car behind; secondly, to reduce pollution; and, thirdly, to raise taxes for transport purposes. Will the Minister, through the congestion tax, persuade the people of London to leave their cars behind? The AA report "New leadership for London: transport in the capital", under the heading "Car ownership", states:

> "The number of cars per London household is lower than many other parts of Great Britain, reflecting the cost of parking and the availability and accessibility of public transport."

Were I to introduce an anti-congestion scheme and someone were to tell me that lower car ownership had resulted, I should say that I had achieved my objective. However, the availability of public transport in central London is already achieving the objective of keeping London traffic movements at a lower level than they would be if public transport were not available—all the evidence suggests that the availability of public transport in London keeps cars off the roads.

In Committee, we examined in depth the pilot scheme in Leicester. The Minister for Transport in London said that she would publish the results when they became available, and I assume that she is a woman of her word. However, early reports from that scheme give rise to serious questions about whether imposing a congestion tax on motorists will make much difference to their habits. Early reports from Leicester indicate that it takes a

road-use charge of £6 to make a motorist change his pattern of behaviour. It is believed that in London the figure would be nearer £8. I do not think that even this Government would have the gall to introduce a £8 charge on motorists every time they made a journey in London. Given that they would not do that, it follows logically that a lesser sum would not deter anyone. So what do we have? We have a revenue stream. It is a tax by the back door. It is yet another example of a stealth tax.

7 pm

What will happen in the London boroughs? In Croydon, there are reports that the council intends to produce a congestion tax that will bear on motorists entering London once the Bill is enacted. Apart from ensuring the re-election of the Conservative group at the next borough elections, what will be the net effect? The answer is that local shoppers will go to the new Blue Water retail development near the M25 rather than pay to go to Croydon. The congestion tax may solve the problem of congestion in Croydon, but it will make it into a ghost town.

A good example is provided by Bath, where the Liberal Democrat council has raised parking charges to such a high level that there has been a 7 per cent. fall-off in the local economy. The House must recognise that one cannot impose a congestion tax in isolation and expect there to be no knock-on factors.

Mr. James Gray (North Wiltshire): Does my hon. Friend agree that those who are most in favour of congestion charges are those who want to drive on our roads? The main purpose of a congestion tax is to get everybody else off the road so that the road is freer for oneself.

Mr. Ottaway: My hon. Friend is absolutely right. I have yet to hear anyone advocating a congestion tax who does not drive himself.

The second objective of the congestion tax is to reduce pollution. Notwithstanding my point that the tax is unlikely to affect volumes, it is possible to reduce pollution without the confrontational approach of extra taxation upon the motorist.

Such have been the advances and technological developments in the production and construction of engines that a car manufactured 30 years ago emitted 95 per cent. more toxic waste from the back end than would a car produced now. That has been achieved by co-operation with the motor industry and without the need to introduce a congestion tax. We must try to remove the final 5 per cent. without imposing a charge. I am sure that the technology is available to produce the ultimate clean car. The Conservative party would encourage the motor industry to do so. It would also give every encouragement to cars powered by liquefied gas or electricity.

It is worth noting that Oxford street, which is considered to be one of the more polluted areas in the country, is a street from which the car is excluded. The pollution tends to be the result of emissions from diesel engines in taxis and lorries. However, the Government must not use the environment as an excuse to impose a charge when other options are available.

The Government's final, unashamed reason for imposing a congestion tax on Londoners is that it will create a revenue stream for the mayor. The Liberal party has been eyeing this up and has given it its full support. In "Yes, Minister", when the Minister in that programme was about to make a controversial decision, Sir Humphrey used to say, "Very courageous, Minister, very courageous." It is very courageous of the Government to be advocating an additional tax on London. They are doing so unashamedly with the full intention of creating a revenue stream for the mayor.

The Government should be aware, however, of a recent report contained in a confidential Scotland Yard memo, according to the *Evening Standard*, which warns that there could be

"a violent backlash by drivers, increasingly angered by moves to penalise them at every turn. A separate Government-commissioned study has also warned that drivers' acceptance of technology that charges them for driving on roads—and traps them when they don't pay—cannot be relied upon."

The congestion tax will not be an easy measure to introduce. It is a courageous decision on the part of the Government to introduce it. I do not believe that anyone will become the London mayor on a pledge to introduce the tax.

Mr. Gray: Is my hon. Friend aware of the report by the Sub-Committee of the Select Committee on the Environment, Transport and Regional Affairs on the integrated transport White Paper, which was produced last week? It comes to three clear conclusions on congestion charging. The first is that it must be 100 per cent. hypothecated. Secondly, it must be totally additional to any present expenditure. Thirdly, it must be permanent. We know that the Government are proposing congestion charging for 10 years. The Sub-Committee was plain that it must not form a revenue stream for the Government, the Treasury or local government.

Mr. Ottaway: We talk of nothing else in Croydon. I intend to address all three points that my hon. Friend has sensibly and wisely raised. Early reports suggest that the congestion tax could raise £200 million a year. First, it must be questioned whether that is enough. In Committee, the Minister made it clear that this money would not necessarily be used as a subsidy for London underground, and referred to road improvements or traffic-related improvements. I venture to suggest that improving London's roads or traffic-related schemes will need more than £200 million a year.

We congratulate the Government on the halfhearted establishment of the principle of ring-fencing and hypothecating the proceeds of any congestion tax. However, any congratulation must be tempered by two factors, one of which we believe to be fatal. First, the funding is ring-fenced for only 10 years in the Bill. That obviously prompts the question: what will happen after 10 years. In our opinion, the answer is clear. The money will go to the Treasury coffers. If it is to be ring-fenced, that should be the position in perpetuity and not for a limited period. To that extent we welcome the conclusion of the Sub-Committee to which my hon. Friend the Member for North Wiltshire (Mr. Gray) referred.

Secondly, the greatest weakness of the Government's proposal—in our view the fatal one—is the additionality factor. I have no doubt that a Chancellor seeing a mayor with a revenue stream of £200 million a year would immediately dock £200 million from his transport grant to London, with the result that the people of London

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would be no better off. If the Minister is to reassure me that that will not happen, it will be clear that the Department has fought the battle over hypothecation. If so, why does it not fight the battle over additionality and enshrine the result in the Bill?

We do not have to look far for a good current example, and that is next year's funding for London underground, about which there has been much discussion today. All the early signs are that that funding will have to come out of the road maintenance programme. If ever there were a classic example of having to rob Peter to pay Paul, this is it.

Mr. Edward Davey: The hon. Gentleman is exactly right about additionality. Why, then, did the Conservative party not support my hon. Friends and me yesterday when we tried through an amendment to clause 86, to ensure that the Greater London Authority transport grant increased year on year, so that funding from central Government to Transport for London would not be a problem?

Mr. Ottaway: Because I had no idea that that is what the Liberals were voting on. As I read the amendment, it described something entirely different. In any event, I do not feel slavishly bound to follow the Liberals through the Division Lobby on every occasion. We know that they have a pious coalition deal, which they keep denying. The Conservative party makes up its own mind, introduces its own amendments and votes when it thinks appropriate rather than letting the Liberals decide for it. The Liberals could easily have joined us in the Lobby just now, as their spokesman endorsed every point that I made on the public-private partnership.

We oppose the congestion tax because it is a back-door tax—a stealth tax. It will not solve the problems of congestion in London, it will not ease pollution, it will damage local economies and it will hit the vulnerable. I urge the House to support our amendments.

Mr. Darvill: I support the Government amendments and oppose the Conservative proposal to delete clause 222. The Government's proposal is not to impose road charging. As the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) rightly said in his intervention, the permissive provisions in the Bill would allow charging by the mayor and the London boroughs.

The hon. Member for Croydon, South (Mr. Ottaway) said that the balance between public transport and road congestion was moving the other way. That may be so in some areas, but surely it is a matter for each London borough to decide in accordance with local circumstances. On a Londonwide scale, it is a matter for the London boroughs, the mayor and the Greater London Authority to put before the electorate. If the Conservative amendment were accepted and clause 222 deleted, that possibility would be removed from councillors and candidates at the GLA election next year, which would be a disservice to the people of London.

Mr. Gray: Is the hon. Gentleman aware of the conclusions of the oft-quoted Transport Sub-Committee of the Select Committee on the Environment, Transport and Regional Affairs? The Sub-Committee's report on the White Paper on integrated transport were published last week. The hon. Gentleman's colleagues concluded that it would be wrong to allow any local authority to make up its own mind about congestion charging, as that would drive traffic into the neighbouring local authority. Labour members of the Transport Sub-Committee therefore supported a regional strategy only for congestion charging. Does the hon. Gentleman therefore differ from his hon. Friends on the Committee?

Mr. Darvill: Yes. Local councillors need to take a broader perspective. I would propose a sub-regional approach. Councillors and members of the GLA will have to think much more broadly. I have not read the report to which the hon. Gentleman refers, but I understand the argument. My view is that the debate must take place on a Londonwide basis, recognising local conditions and the position of Londoners as a whole and the commuter transport implications.

Mr. Bercow: The hon. Gentleman said a moment ago that the Government were not advocating road user charging, despite the appearance to the contrary—after all, as he knows, clause 222 dangles that prospect. In the light of what his hon. Friend the Minister said earlier, in a characteristically arrogant fashion, about the likelihood of a Labour mayor being elected, would the hon. Gentleman advocate a Labour mayor supporting such charges—yes or no?

7.15 pm

Mr. Darvill: The debate on the Labour manifesto and the manifestos of candidates for mayor will take place in the coming months. I recognise the point made by the hon. Member for Croydon, South about the balance.

In answer to the question from the hon. Member for Buckingham (Mr. Bercow), if the clause is removed from the Bill, that debate will not take place. It is taking place now in the Chamber, but, if the amendment is accepted, there will be no possibility of candidates for mayor and the GLA, and councillors in the London boroughs, debating the matter locally. For that reason, the provision should remain in the Bill.

I recognise that there will be competing arguments. For example, when a bus lane is created, there is often opposition from car users, but support from those who use the public services. There is opposition from people who may be affected by rat running as a result of the new bus lane, and local measures may be proposed to avoid that. All that takes place locally.

I support the measure because the revenues to be raised from the charges are hypothecated. I have some sympathy with the argument of the hon. Member for Croydon, South about the longer-term nature of the investment. The longer term must be taken into account in the decision-making process. The hypothecation of the revenues over a longer period would give much greater scope for investment. However, in subsequent elections, a party that opposed hypothecation after, say, 10 years could put its alternative proposals to the electorate. Those proposals might be unpopular, but parties would nevertheless need to consider the long term when formulating their policies.

Mr. Gray: Am I right in thinking that the hon. Gentleman is arguing in favour of hypothecation being

permanent? If so, does he realise that it will be necessary for him to vote against the Government in the forthcoming Division?

Mr. Darvill: I said that I had some sympathy with the argument for longer-term hypothecation. However, I support the Bill because it moves in an important direction and, with regard to hypothecation, it is unique in law making in this country. That is warmly welcomed, and the benefits will become apparent. It enables the argument about road charging to take place against the background of the resulting benefits and the scope for investing the revenues in public transport.

Mr. Bercow: The hon. Gentleman's tone is immensely reasonable. What is less reasonable is his unwillingness to tell us whether a Labour candidate for mayor should advocate road charging. As his party has included the provision in the Bill, does he understand that some of us are eagerly waiting, with beads of sweat on our brow, for Pandora's box to be opened so that we can discover the earnest intentions of Labour Members?

Mr. Darvill: I am sure that the hon. Gentleman's patience will be rewarded in due course. I am happy to give my opinion, but other colleagues may have different opinions. When we have formulated our policies, we will have the debate. I believe that there is considerable merit in road charging, provided that the revenues are used to improve public transport. The charges will be unpopular with some people, but, if those who pay them can see the benefits in improved public transport, the policy will be much more popular than Conservative Members think.

Most members of the public who have to travel in and out of London and use their cars to do so realise that a major problem is building up, no matter who is in government and no matter who controls the GLA. Local traffic problems apply in local areas. The public want those problems to be resolved. They know that resolving such problems is difficult and often requires increased capital investment, but the road charging provisions are a way of squaring that circle. That is why I do not believe that they are as unpopular as Conservative Members say.

I hope that hon. Members will oppose the Opposition amendment and support the amendments that would facilitate discussions on hypothecation and the detail of the Bill.

Mr. Brake: I shall speak against the Conservative amendment and in support of the Liberal Democrat amendments.

What would be the effect of the Tory amendment? It would simply remove the possibility—not the certainty—of road user charging. However, if road user charging were implemented after the viable public transport alternatives were put in place, it could play a major role in raising funds for investment in public transport, in improving the health of the one child in seven who suffers from asthma and in helping the United Kingdom to meet its CO_2 reduction targets. Finally, it could play a major role in helping the boroughs to deliver on their target of a 10 per cent. reduction in road traffic, which was agreed under the previous Government and which they have to hit.

Mr. Ottaway: May I take it from the hon. Gentleman that the Liberal Democrats will be campaigning in next year's mayoral elections on a pledge to introduce road user charging?

Mr. Brake: I am happy to respond to that intervention. My understanding is that one of the Conservative contenders for mayor, Steve Norris, has indicated his support for the proposals. We have clearly said that we see a role for road user charging in reducing congestion in London. I am happy for that to go on the record.

The official Opposition have to confirm whether they are committed to the targets for CO_2 reduction to which the Government have signed up and whether they are committed to the road traffic reduction targets in the Road Traffic Reduction Act 1997, which was passed when the previous Government were still in office. Are they doing a U-turn on that issue, as on so many others?

Even if the official Opposition are not convinced of the environmental arguments in favour of road user charging, are they not convinced that investment will arise from charges? In the unlikely event of a Conservative mayor or a Conservative Government being elected, how would they fund the investment that was needed? They have been distinctly quiet on that key point.

Mr. Gray: The hon. Gentleman has obviously forgotten that, only last week, he was one of those who voted in favour of the oft-quoted report of the Transport Sub-Committee of the Environment, Transport and Regional Affairs Committee. The report said, in absolutely straightforward terms, that road charging must be hypothecated, additional and permanent, and must not be used for revenue streams of any kind. It appears that he is, in classic Liberal fashion, arguing exactly the opposite of what he signed up to last week.

Mr. Brake: On the contrary, I am arguing in favour of everything listed by the Committee in its report. I shall come to those points in a moment.

Road user charging must involve additionality, which is why we tabled an amendment to that effect yesterday. It did not receive the support of the official Opposition, apparently because they did not understand what it meant. Road user charging must be hypothecated for the purposes of public transport, cycling and walking, which is why we have tabled an amendment on that subject. It must also be hypothecated permanently, and we have tabled an amendment to that effect.

It is clear that we cannot possibly support the Conservative amendment, which is all to do with political opportunism—a splurge in the media a few days before an election. It pays no regard to London's environment or to the investment needs of London Transport.

Mr. Gray: I am grateful for the opportunity to take part in a debate that is extraordinarily important—not only to proceedings on the Bill, but to the recent general discussion on transport, particularly in the context of the integrated transport White Paper. The White Paper is much lauded by Labour Members and, as I have had

[Mr. Gray]

occasion to say once or twice, the Transport Sub-Committee studied it recently and produced a report last week.

If we are to address the problems that we all face in cities and towns across this small country of ours, we will have to address the question of congestion. I take issue with speakers on both sides of the House—Liberal Democrat and Labour Members—who have suggested that, somehow or other, Her Majesty's official Opposition are opposed to reducing congestion. Of course we are not; all along—when we were in government for 18 triumphant years and since—we have made it plain that we are wholeheartedly in favour of reducing congestion. It is terribly important that we should do so for health reasons, because of air pollution and so that people can get about the town.

That brings me on slightly, to a point to which I alluded a moment ago. Most commentators produce ideas on environmental questions, not necessarily because they believe that they will carry them out, but because they hope that everyone else will carry them out. Two or three examples spring to mind. All my constituents talk gaily about how important it is to support village shops—and, indeed, it is—but, goodness me, they spend £5 in the village shop once a week and then zip round to Sainsbury's by road to spend £200 or £300 on their week's shopping. Although they pay lip service to reducing congestion by using the village shop, they contribute to it by going to Safeway or Sainsbury's.

The same applies to road user charging. People talk about reducing congestion in central London, for example. They say, "Until now, I have been using my motor car to get to central London. I would like you, Mr. Mayor, to introduce road user charging. That will hurt me in my pocket, so I will give up my car and get on the underground." Oh, no, that is not what they mean at all. They mean, "I want you, Mr. Mayor, to introduce road user charging. That will mean that there will be a great reduction in traffic across London, so I can drive into the office much more quickly than I have been for the past two or three years." That is entirely selfish and entirely the opposite of what is proposed.

The Government seem to be in nirvana. They think that, somehow, introducing this road tax—an entry fee of £10 according to my hon. Friend the Member for Croydon, South (Mr. Ottaway), although I hope that that figure is wrong—will make people better and make London a better place. All it will mean is that company car users will lob the fee back to their company accountants. Millionaires driving their Rolls-Royces will not be bothered about a fee—they would pay £8 or £10 with no trouble at all, and would pay £10, £20 or £30 for parking. They would not care about that. However, old people who need their motor cars to get to the shops, disabled people who cannot get down the steps into the underground and poor people who cannot afford to pay £10 would be damaged by such a fee.

Road user charges would have exactly the opposite effect to that which the Government describe, but would encourage the people whom I mentioned to say, "Fine. I have a big BMW and I work in a bank in the City of London. I do not care about road user charges. Indeed, they will make things even better because the roads of London will be clear for me to zip along at 90 miles an hour."

Mr. Darvill: A borough or a mayor introducing such a scheme would take into account, through concessionary measures, people with disabilities. Would that not answer the hon. Gentleman's point? Moreover, the groups to which he referred would benefit from improved public transport.

7.30 pm

Mr. Gray: The hon. Gentleman reminds me of a point that he made in his thoughtful speech, which was about allowing individual boroughs to do different things. Let us imagine a situation in which the borough of Hackney signs up to road user charging and is determined to keep cars out of the borough. It may say, "We will charge road users £20 so that no one comes through the borough." Given the ring of steel around the City of London, the City of London would almost certainly say, "Fine. We are determined to deter cars from going through the City of London, so we will charge road users £100." My friend the fat cat in his BMW would not care about that. Those who would care are people in the borough of Islington and boroughs south of the river, which would be used as rat runs by those avoiding the heavy charges.

Allowing a borough to make up its own mind on road user charging would have exactly the opposite effect from that described by the hon. Member for Upminster (Mr. Darvill). That point was brought out clearly in the Labour-dominated Select Committee report last week, which deals not with London, but with other parts of the country. It says that it would be wrong if a local authority had the right to make up its own mind about road user charging or parking charges because that would have an appalling effect on neighbouring boroughs and councils. It says that such decisions should be made by the regions. I do not recall exactly what the report says, but it was said in the Select Committee discussions that the regional development agencies, or possibly the elected regional governments—if, heaven forfend, those ever come about—might be the right bodies to make those decisions. If local authorities were allowed to make them, the effect on neighbouring councils would be deleterious.

Ms [illegible]da Jackson: I am grateful to the hon. Gentleman, who I believe is a member of the Select Committee to which he refers. Everyone in the House welcomes his interest in this debate, but this is clearly the first time that he has turned his mind to the Bill, because he is under a total misapprehension with regard to the introduction of road user charging within London. Boroughs must fit into a mayoral strategy. It will be for the mayor to decide whether to introduce such charges. Boroughs must be part and parcel of that strategy, and the Secretary of State will examine how the money will be spent. The figures which the hon. Gentleman is tossing across the Floor of the Chamber are absurd. I am delighted that he has at last managed to manifest an interest in our deliberations.

Mr. Gray: I was merely answering an intervention by the hon. Member for Upminster, who suggested that charging should differ from borough to borough. I am surprised that the Minister was not clearer about the fact

that I serve on the Select Committee on the Environment, Transport and Regional Affairs. I am proud to do so. Given the hard time that we gave her on one or two of her appearances before the Select Committee recently, I should have thought that our faces, if not our names, would be engraved on her memory.

Mr. Ottaway: Perhaps she is too thick-skinned.

Mr. Gray: My hon. Friend suggests that the Minister may be too thick-skinned to be aware of that. Perhaps he is right, but I would not be so ungentlemanly as to suggest it.

What is the purpose of road user charging? My thesis is that it will not achieve the aims that the Government have set up for it. It sounds like a frightfully good idea if it is to reduce road usage, but it will reduce road usage for the wrong people and allow those who do not care about the cost to continue to use the roads. It is rather like the recent increase in petrol charges, which has damaged my rural constituency, poor people and the disabled.

The hon. Member for Upminster also suggested that road user charging might enable disabled people to use public transport. I do not know about the disabled people in his constituency, but there are many disabled people in my constituency who could not use public transport under any circumstances. Flippantly to suggest that they should be charged off the roads in the hope that that will make public transport better is not a particularly caring point to make.

Mr. Darvill: The point that I made was twofold: first, that concessionary arrangements could be made for disabled people; and, secondly, that an increased investment in public transport might benefit some disabled people. I was not making a cursory suggestion; I was saying that there are two sides to the argument that road user charging could benefit the groups that we were discussing.

Mr. Gray: I am grateful to the hon. Gentleman for his clarification. I hope that he will forgive me for misquoting him, but I was thinking on my feet. He makes a good point. The more reductions there are for old people and the disabled, the better. Even better, however, would be no user charging at all. We would then not have to worry about concessions for the old, the disabled and the poor.

Mr. Brake: The hon. Gentleman said that the Conservatives believe that congestion needs to be tackled. Perhaps he is about to explain how.

Mr. Gray: I am grateful for that question, but I fear that you would rule me out of order, Mr. Deputy Speaker, if I launched into a wider discussion on transport and how to reduce congestion on the roads. We are discussing the proposals in the Bill for road user charging within London. Perhaps the hon. Gentleman and I could have an interesting discussion about reducing congestion in the context of the Select Committee, but I would be trying your patience, Mr. Deputy Speaker, if I dealt with it now.

I wish to concentrate for a moment or two on the three aspects of road user charging that I find particularly unattractive. Labour Members talk gaily about hypothecation, but Treasury officials with whom we did battle over 18 years have always gone to lengths to say that there can be no such thing. Hypothecation does not fit in the Treasury's theology, for the good reason that, if a public duty should be carried out, it should be carried out through taxation. Hypothecation is a misleading way of pretending that, somehow, taxation is being put to a particular use.

Worthwhile measures such as improving the transport infrastructure in London will cost much more than the funds raised through road user charging. If the Government then say, "We are sorry, but we don't intend to do those things because they are more expensive than the money that we have raised from road user charging," they will be wrong. If we have to look after those with asthma, reduce pollution and facilitate movement around the centre of London, the GLA should do that, irrespective of how much money it raises from road user charging. Treasury mandarins always tell me that hypothecation does not work for that reason.

If one is to hypothecate, additionality is crucial. It must be possible to demonstrate beyond any shadow of a doubt that the project for which the money is being used would not, under any circumstances, have been undertaken anyhow. The Environment, Transport and Regional Affairs Committee is discussing bus lanes, improving the roads and all kinds of projects that should be undertaken by any Government. Additionality, which is absolutely central to road user charging, means providing for transport users something that they would not otherwise have. If the money is simply used to improve the underground or the road lights in Clapham high street, it is a wrong use of road users' money.

My next point—it is the main thing that is wrong with the proposals—is that the arrangement must also be permanent. It must not be for just a few years. The GLA must not be able to say, "Londoners will not notice. We shall charge them a few pounds for a few years, and they will then forget about it. We shall then bring the charges into the mayor's funds," or, in the case of the Labour party, into the Treasury's funds. That is a straightforward con. The Government are telling the public, "We're going to take this money off you. We're going to pretend that it's for transport use of one sort or another. Don't you all want cycle tracks? Don't you all want to encourage pedestrians"—as the Liberal Democrats are always reminding us—"and don't you want to improve roads? I'm sure you're all very fed up with the congestion in London. It must be awful when you're trying to get to work and the roads are all congested. Don't worry, we're going to charge you £8 a time when you come into London, and we're going to use the money to put those things right for you. Aren't we a wonderful Government?" However, there is a postscript at the bottom in very small print, which reads, "But only for 10 years."

Mr. Bercow: Does my hon. Friend agree that the precedents that the Government have established in other areas of public policy in the past 24 months offer us no confidence that a road user charging policy would be operated on the basis of additionality—rather, the contrary applies?

Mr. Gray: My hon. Friend makes that point extremely well. Our experience in the past 24 months shows that the Government will put a spin on the measure and will make out that it will help the public, but the truth is that it will help no one other than themselves.

[Mr. Gray]

The hon. Member for Carshalton and Wallington (Mr. Brake) alluded to revenue flows for the mayor. The Government are not even covering their nakedness by pretending that the revenue is additional, that it is for transport and that it is permanent. They have the brass neck to say, "It is only for 10 years and then we'll have the cash. What would the poor old mayor do if he didn't have road user charging, because he wouldn't have any money? The poor old mayor needs the cash. He needs the revenue flow. What's the point of having a mayor without the revenue flow? Road user charging is terribly important, because it gives the mayor some cash."

Mr. Clive Efford (Eltham): Is the hon. Gentleman not overlooking the issue of accountability? The mayor will be directly elected by the people of London, and will be accountable for the policies that he or she puts into place. If a mayor were to do what the hon. Gentleman is suggesting regarding future investment in public transport in London, he or she would soon be accountable to the people and would be out of office.

Mr. Gray: The accountability point is a good one. The hon. Gentleman is quite right. It will be extraordinarily interesting to see in the manifestos of the various candidates for mayor whether they sign up to an £8 or £10 road user charge. Labour candidates—who knows, the Minister may be one—may be brave enough to say, "Please vote for me, because I'm going to charge you £8 if you come into London." I would be bold enough to say that accountability would work, and, if the hon. Lady were such a candidate, she would certainly not be elected.

It was interesting that the hon. Member for Carshalton and Wallington, when challenged on this point by my hon. Friend the Member for Croydon, South, went to some lengths to avoid saying whether a Liberal Democrat candidate for mayor would be upfront and would say that he would introduce road user charging. The Conservative party is clear: we would not bring in road user charging in London. We have tabled the amendment to prevent road charging from being introduced, so that, even if an elected mayor wanted to do so, he could not.

The Conservative party is the only party in the Chamber that has made its position clear—none of the minority parties is present, except the Liberal Democrats. Her Majesty's official Opposition are making it absolutely plain that we wholeheartedly oppose congestion charging in London. Our mayoral candidate will stand on that manifesto. The hon. Member for Eltham (Mr. Efford) is quite right in saying that accountability comes into it, and, if mayoral candidates from other parties stand boldly in front of Londoners and say, "We're going to charge you guys for using our roads," they will lose.

Mr. Efford: If accountability comes into it, should the mayor not have the right to choose whether to introduce road charging? By taking his approach, would the hon. Gentleman not be denying the democratic right of the people of London to choose whether they want road pricing?

Mr. Gray: The hon. Gentleman is quite right. However, with the amendment, we are trying to protect the people of London from the stealth tax that the Government propose to introduce in the Bill. We are opposed to congestion charging. We do not believe in charging Londoners £8 or £10 to use their own roads. The Labour party does, and the Liberal Democrats may or may not—but, as usual, it is not certain. That is true accountability. I am sure that, if the debate is reported—I hope that it will be reported during the campaign for the mayoral elections—it will be absolutely plain that the Conservative party is wholeheartedly opposed to road congestion charging. We have spoken against it for some time, but the other parties are in favour of it. It is worth putting it on the record that the Conservative party is the only party opposed to road user charging.

It should be made clear that the proposal that the amendment would change is not about congestion, health, air quality or any of the worthy issues that some hon. Members have referred to, but about revenue for the mayor. If done nationally, it is about revenue for the Treasury. That is one of the strongest reasons why we have tabled the amendment.

7.45 pm

Mr. Ken Livingstone (Brent, East): As there is such interest in what intending candidates for mayor would do, I can tell the House that I was initially sceptical about the congestion tax. I was aware of the origins of the tax. It was not drawn up in Labour party headquarters, and it is not some product of a leftie think tank: it comes from the neo-liberal, Thatcherite right. Milton Friedman and others argued for a congestion tax. According to my broader version of it, it is a flat-rate tax, like the poll tax. It would not be my tax of first choice to fund transport, but it is an integral part of the Government's transport strategy for Britain.

London is being given the chance to introduce this tax ahead of the rest of the country, largely because if it cannot work here, it will not work anywhere else in Britain. We still have a good public transport infrastructure and a degree of congestion that makes the case.

I think that there is wide public acceptance that something like a congestion tax must be introduced. The debate will be about the levels. *[Interruption.]* I see Conservative Members shaking their heads, but I have received detailed documents from broadly business organisations in London calling for a £5 tax. Taxi drivers, who are not normally part of the militant tendency, are talking about £7.50, although they think that they should be exempt. That is understandable, because the taxi trade should be integrated into the overall Government public transport strategy.

Mr. Ottaway: Before the hon. Gentleman is completely seduced by the pleas of the business community in support of the road user tax, he should be aware that it is trying to distract attention from the workplace parking levy, which affects businesses. If he reads on, he will find that businesses are opposed to the workplace parking levy, and that they want the man on the street—or, more to the point, the man behind the wheel—to pay the extra taxes rather than business.

Mr. Livingstone: It will come as no surprise to the hon. Gentleman that I find the car park tax a more attractive proposition, because it is not a flat-rate tax.

To provide the extra resources that London needs to have a dramatic improvement in the quality of public transport, money has to come from somewhere else. The Government will not suddenly open their coffers to London so that there is a great flood of extra resources. As London is substantially more wealthy than the rest of the United Kingdom, and inner London is the richest region anywhere in the European Union, it is not unreasonable that we look to Londoners to pay part of the price of improving the quality of public transport.

A list of proposals is rapidly building up among candidates across the political spectrum. Jeffrey Archer wants high-speed bus lanes. Proposals for new buses from the outskirts, conductors back on the buses and improved cleaning of the buses will require money. I think that Londoners would be prepared to pay a reasonable sum to see an improvement in the quality of public transport, so that people are encouraged to leave their cars at home.

The tax could be introduced in a divisive and counter-productive way. It could be a massive levy dumped on Londoners without first seeing some improvement in the quality of public transport. I have not the slightest doubt that the Labour party manifesto for the mayor and assembly for London, and all the leading Labour candidates for the assembly and the mayoralty, will propose a phased introduction and tying the tax to a real improvement in the quality of public transport. That will produce the circumstances in which we can recreate the impact that the Greater London council's fares cut had in 1981 of getting people to leave their cars at home and switch to public transport.

Careful handling and planning will be needed. We shall have to listen to what Londoners say about the level at which the charge should be set, and the areas that will be affected. We shall have to be cautious. It would be a great mistake to set this tax at a level that would cause a public backlash, or to create the impression that we favour an anti-car strategy rather than a pro-public transport strategy.

I think that, during the debate that will take place in the coming year as the election of mayor becomes closer, we shall see that Londoners are prepared to pay that bit more to put a public transport system that previous Administrations have ignored for the best part of two decades back on its feet, and to ensure that it is effective, efficient and clean. At the same time, encouraging people to leave their cars at home by means of the combination of a congestion tax and improved public transport will lead to a better quality of life in London as pollution, congestion and the number of accidents are reduced.

I see the attraction to the Tory party of an opportunity to say, "This is just another tax. We are opposed to it, as we are opposed to every tax." The Tories will have to answer a question, however: where will the money needed to improve public transport come from if they turn their backs on the tax measures that the Government are giving Londoners a chance to implement? For we are talking about Londoners: it will be Londoners who go to the polls next May knowing where their candidates—Tory, Liberal and Labour—stand on the issue. I have no doubt that they will cast their votes, by an overwhelming majority, for candidates who are prepared to use these taxes to improve public transport and the quality of life in our city.

Mr. Edward Davey: I thank the hon. Member for Brent, East (Mr. Livingstone) for bringing us back to reality, and for referring to the need to tackle congestion. The hon. Member for North Wiltshire (Mr. Gray) took us down an odd path when he spoke of paying £5 in his village shop and £300 in the nearest supermarket, especially as no London Conservative Members were present at the time.

Congestion is a huge problem in the capital. The hon. Member for Croydon, South (Mr. Ottaway) said that it had not increased in the past 20 years, but that is because it is so bad. It is a real problem in both inner and outer London. When I knock on doors in my constituency, I find that people raise the issue of traffic congestion time and again. They want the Government to give a lead.

We have not talked about the market economics behind road use charges. The Conservative party used to be the party that believed in market economics and price signals. One reason for traffic congestion is that public highways are a free good: people do not have to pay to use them. Basic macro-economic theory shows that, when a free good is available, people tend to use far too much, because they do not have to pay for it. When a price mechanism is introduced, people are given a signal to help them to make choices, and resources can be allocated more efficiently across society.

Mr. Howard Flight (Arundel and South Downs): Does the hon. Gentleman apply the same arguments to the national health service, as his logic suggests?

Mr. Davey: I can see from your frown, Mr. Deputy Speaker, that you do want me to stray too far from the amendment, so I shall be careful about how I answer that question. The national health service was established to be free at the point of use: that was one of its basic notions.

People want to be able to travel along Britain's roads without the problem of congestion, and they want the Government to come up with policies to prevent it. That is the thinking behind this policy. We need only consider the incentives that will result from road user charging. People will ask themselves, "Do I really have to take that journey in my car? Is there an alternative?" Not only Londoners, but those living in the constituency of the hon. Member for North Wiltshire who are coming to London may think twice. Perhaps they will leave their Mercedes at home and get on the train, even if they are as wealthy as they seem to be.

Mr. Gray: I did not suggest at any stage that my constituents were wealthy. That is not the point that I was making, as the hon. Gentleman well knows. The hon. Gentleman wants the tax to be used to drive people off the roads, and leave them open to those who can easily afford to pay it. It is a rich man's tax. The rich man in his Jaguar will be fine, while the poor man will have to stay at home.

Mr. Davey: The hon. Gentleman clearly was not listening. What I said was that a price signal would lead people, rich or poor, to think about their journeys and about the alternatives. In fact, most people on low incomes do not use cars. If the hon. Gentleman looks at the statistics, he will find that the public transport system will be massively improved for those who use public transport most at present by the revenue streams that will be generated. Those on low incomes stand to benefit.

[Mr. Davey]

Although congestion charges are right in principle, for the economic reasons that I have given and the environmental reasons given by other speakers, they will work only if there is a political consensus, not just here but in the wider London population. In that respect, I fear that the Government are not doing their own policies a service in regard to their presentation in both the Bill and the media. In this instance, the hon. Member for North Wiltshire was right: he complained that the Government had not ring-fenced the revenues from road user charges effectively. The Government are not guaranteeing to those who will pay that the charges will be ploughed back permanently into public transport in the capital.

The hon. Gentleman made two points in that regard. First, he made a point about additionality. We need to ensure that the revenues raised constitute additional funds. That is why the Liberal Democrats argued yesterday and in Committee that the Greater London Authority transport grant—the money that the Government currently suggest should go to Transport for London—should be maintained in real terms. If a future Chancellor could say, "Mr. Mayor"—or Mrs. Mayor—"now that you have your revenues from road user charges, you will not need the transport grant any longer", it would undermine public support for the charges in London.

Additionality is a key part of ensuring that road user charges are saleable to the public, but another key part is ensuring that they are ring-fenced. After the Second Reading debate, the Government relented and in Committee, by means of schedule 18, they inserted a complex set of paragraphs in an attempt to persuade people that they would ring-fence the revenues for 10 years; but, as we said in Committee, we do not feel that they have actually done that, and detailed scrutiny of schedule 18 will prove that we are right. Ministers did not accept our argument in Committee, but, even if they do not accept it now, the Government ought to consider it seriously in the other place. It is in their interests, and in the interests of those who want to reduce congestion, for the tax to be made saleable.

Paragraph 17(6) of the schedule sets out in detail how the 10-year period will be measured. Paragraph 17 introduces the concept of the initial period, at the start of the 10 years; sub-paragraph (6) specifies how the time when that initial period began will be judged. Under the sub-paragraph, effectively, the Secretary of State can deem that a particular road user charging scheme has been changed in some way. Perhaps the rates have changed; perhaps the district boundaries have changed. The Secretary of State can then say, "This is a different scheme", and the initial period will therefore be deemed to have come to an end.

8 pm

As the initial period has come to end, the revenues will no longer be available solely and exclusively for investment in London Transport. I do not say that to make a political point. I am trying genuinely to be helpful to the Government because I want to ensure that they achieve in legislation what they say they want to achieve: to ring-fence the revenues.

That is not the only aspect of road user charging that we need to address to ensure that the new charges are saleable politically. We need to ensure that there are improvements in the public transport system up front. People who are going to be asked to pay the charges need to know that they will get benefits. As we have seen in the first two years of the management of London's underground and public transport system, such improvements to London's public transport system have not occurred. That is likely to occur again now that the Government have gone down the path of PPP schemes.

What may happen is that the charges will be introduced, people will be asked to pay and then they will not see any benefit for several years. That is not a politically sensible strategy. I am incredibly worried about that because I want congestion to be tackled. Charging may be one of a package of measures that will help, but it will fall at the first hurdle if we do not persuade people that it is in their interests—that it will tackle the problems that we are all concerned about.

Therefore, I ask the Minister to examine the way in which the Government are putting the road user charges element of their public transport strategy for London together, as well as the money that they are investing in London underground and other aspects of London's public transport.

I am particularly concerned about the following point, which was mentioned in the previous debate, but is relevant now: the money for London's public transport system from April 2000. At the moment, no one is clear, least of all in the management of London Transport, where the money will come from to maintain the infrastructure, to invest in the system and to ensure that improvements are achieved. If the managers of the system are not sure where the money is coming from less than a year before that financial year starts, clearly, they cannot make the proper investment plans and strategies that are needed.

Those are my two concerns about the way in which the Government are approaching the matter. First, they are not ensuring that the money is fully hypothecated and will be genuinely additional. Secondly, their overall transport strategy is not ensuring that there will be benefits up front for the people who will need to use the alternatives to cars or motor transport. Indeed, the alternative is public transport.

I do not think that Ministers can get away with leaving it to a future mayor. They cannot duck responsibility on the matter. I was pleased that the hon. Member for Brent, East, who may turn out to be a mayoral candidate, is now on record as saying that he supports road user charges. He has a legitimate point about the level of those charges. There will be a debate on that, but I am glad that, in principle, he is now in favour.

We have heard that at least one putative Conservative candidate—my hon. Friend the Member for Carshalton and Wallington (Mr. Brake) mentioned him earlier—may be in favour of the scheme. Apparently, Lord Archer is against. He has taken the populist, opportunist Tory line, but it is possible that candidates who are against road user charges might win the mayoral elections.

The Minister cannot push that point aside and say that a Labour candidate will win. It is possible that a candidate from another party, or an independent candidate who is opposed to road user charges, will win. If that person has made a case against road user charges, that not only puts

a massive hole in the Government's strategy for London Transport, but may put a huge hole in the finances of the PPP and London Transport.

Ms Glenda Jackson: We have been round this course in Committee. I say to the hon. Gentleman again, as I said to him then, that the modelling for the PPP is not based on any funding from either road congestion charging, or a levy on workplace parking. I repeat to him for about the sixth time that the financial modelling for the PPP is not dependent on any revenues from congestion charging.

Mr. Davey: The reason why the Minister keeps having to repeat that point is that she will not publish the report that contains the modelling so that the House can see it before it passes the Bill. If she and her colleagues had the decency to publish that report, so that we could scrutinise and analyse it, the matter might be a little more open, the debates might be a little more fruitful and we would not have to make a stab in the dark about where the calculations are coming from.

In a constructive spirit, I say that the Government have to make the case for road user charges. We know that it will be politically difficult to sell. No one is under any illusions about that, but unless they create the framework properly and sensibly in the first place, making that case will be incredibly difficult.

Mr. Efford: The issue inspires much passion among people outside the House. If there were a referendum on the issue, there might be a higher turnout than in the local elections tomorrow. I recall having a public meeting about the closure of a hospital in my constituency and booking a rather large hall, expecting thousands of people to turn up; 110 did so. When I had a similar meeting on the introduction of speed humps in a short road, the same number turned up.

I have concerns about the introduction of road charging. We need to take a sequential approach to the issue, the first being that we need to charge at the place where people park. We need to end the process of allowing out-of-town centre developments with huge car parks that one can land jumbo jets on, which have free parking.

One of the concerns that I have, representing an outer London constituency, is that it is likely to be close to one of the areas where a booth or machine for charging for entrance to London will be sited. Many people from outside London use my town centre, which is likely to be the other side of the toll booth, or whatever it is going to be. That would place my town centre at a disadvantage. I know that other hon. Members representing other town centres and other cities have similar concerns. Therefore, the issue requires more discussion.

The problem that I have with the Liberal Democrats' approach is that they are taking away the democratic right of Londoners to have a say on the issue. A similar position has been taken by the Conservatives. The mayor should have powers to introduce the measure. The mayor should be able to go to Londoners to have the debate. At the moment, I err on the side of caution because I do not think that London is ready for road charging, but that option should be available to the mayor.

Another problem that we face—it is something that I have spoken about several times in the House already—is that south-east London does not have the tube network.

Mr. Simon Hughes: Some of us do.

Mr. Efford: North Greenwich will have the tube soon. My constituency does not have it. The A2 and A20 meet in my constituency near two motorways. The problem with road charging is that it does not offer at the outset an alternative for people to switch to.

Connex South Eastern says that, during peak hours, it is running at capacity. It does not have any excess places for people to use at peak times. The London bus network is not seen as a satisfactory alternative. People could turn to the London taxi, but that would only add to road congestion.

Are the Conservatives aware that the average speed in London before the introduction of motor vehicles was 11 mph and that their transport strategies managed to get the figure back down to 11 mph by the time that they left office? Their transport strategies do not, therefore, give them much to crow about.

The serious point is that there are no transport alternatives. We need substantial investment in public transport to improve and expand it, and to allow people a choice. They could then switch from their car to safe, affordable, comfortable and reliable public transport. At present, we are not offering people those alternatives, particularly in my part of south-east London. Public transport should be extended before we go down the road—if I may use that word—of introducing road user charging, but Londoners should have an opportunity to tackle that issue in future.

Ms Glenda Jackson: My hon. Friend the Member for Eltham (Mr. Efford) is entirely right. The Bill contains enabling powers, and he put his finger on the point when he said that such powers should be available to the mayor, should he or she wish to use them.

Londoners have said time and again that traffic congestion in the capital needs to be tackled. Clauses 222 and 223 will enable London's mayor and boroughs to introduce road user charging schemes and levy a charge on workplace parking. We amended the Bill in Committee to give the mayor and boroughs those new powers, underlining our proposals for a strong, effective mayor with powers to tackle congestion.

The hon. Member for Croydon, South (Mr. Ottaway) was at some pains, as he said, to set the record straight on the Conservative party's policy on that issue. However, he seems to have executed a U-turn this evening because I distinctly remember that, in Committee, he said that the Conservative party was not opposed in principle to introducing road user charging nationally; it was only London's mayor to whom it wanted to deny those enabling powers.

I regret that the hon. Member for North Wiltshire (Mr. Gray) is not in his place, not least because he is clearly as uninformed about his own party's policies as he is about the Government's proposals. He is opposed to any charging scheme unless there is clear hypothecation. His experience of the Treasury led him to believe that hypothecation would never be introduced, but we, as a radical Government, have demonstrated that it can, and will, be introduced.

[Ms Glenda Jackson]

The issue of hypothecation ran through all the contributions to the debate. Hon. Members expressed concerns about whether 100 per cent. of net proceeds would be available to the mayor and boroughs for the mayor's transport strategy, how long hypothecation would operate and whether hypothecated income would be additional. I shall lay to rest all the fears on those three issues. Certainly, 100 per cent. of net proceeds will be spent exclusively on the mayor and borough transport strategies.

Hypothecation may continue for longer than 10 years for specific schemes. However, I say to the hon. Member for Carshalton and Wallington (Mr. Brake), who spoke to the Liberal Democrat amendments, that we reject permanent hypothecation, as we did in Committee when the hon. Member for Kingston and Surbiton (Mr. Davey)—or perhaps it was the hon. Member for Sutton and Cheam (Mr. Burstow)—proposed it. As I said to Liberal Democrat Members then, it is absurd to think that one would achieve the best public transport system or the best value for the taxpayer if a scheme of permanent hypothecation were introduced, because we do not seek gold-plating or platinum-plating of public transport legislation. Surely it must be possible to evaluate schemes to find out whether they are delivering best value for the taxpayer.

Mr. Brake: Would it not be possible, under a permanent scheme, for the mayor to decide to reduce the congestion charges or abolish them entirely?

8.15 pm

Ms Jackson: As I have already pointed out, the 10-year period is not an absolute cut-off; when schemes are reviewed, it will be possible to extend them. Clearly, there will be schemes that will take much longer than 10 years to complete, but to include in the Bill the requirements in the Liberal Democrat amendments would be non-productive. They would not produce best value for the taxpayer or, in the long run, the best and most effective improvements from transport schemes.

Concerns were expressed about whether such hypothecated income streams would be additional. I was somewhat surprised to hear the concerns expressed by the hon. Member for Kingston and Surbiton, who was in the Committee when I made that point clear, but I shall make it clear again. The Bill requires any such scheme to keep separate income and expenditure accounts. Such accounts must be published annually and it will therefore be abundantly clear that those revenues are indeed additional.

Mr. Edward Davey: Is the Minister saying that the only money available for London transport will come from road user charges?

Ms Jackson: I am bemused by the hon. Gentleman's question, and I would love to know—or perhaps I would not—how he arrived at it. I repeat that any concerns that revenues raised from road user charging would not be additional should be laid to rest by the fact that the Bill requires all such schemes to keep separate income and expenditure accounts, which must be published annually. It will therefore be abundantly clear that those revenues are indeed additional.

The hon. Gentleman was concerned also about whether there would be funding for the mayor and the boroughs. I cannot understand his concern, because the Government have announced an additional £1.8 million for local authority transport.

Mr. Ottaway: Does the Minister accept that I share Liberal Democrat Members' concerns? This is a question not of publishing accounts and saying that the revenue is additional, but of what the Treasury will be doing. Will the Minister assure us that there will be no reduction in the Treasury's grant to match the money raised by the schemes?

Ms Jackson: Is the hon. Gentleman seriously asking me to predict Budgets five or 10 years in advance? Did his party ever do so? Did his party ever guarantee any kind of funding for local authority transport? The Conservatives guaranteed year-on-year reductions. I say to the hon. Gentleman and the hon. Member for Kingston and Surbiton that their fears that the hypothecated revenues might be a way for the Government to avoid their responsibilities, now or in future, by eroding central funding for local authority transport schemes are unfounded. I say for the third and final time that the Bill requires such schemes to keep separate income and expenditure accounts, which must be published annually.

I have already said that the Government's commitment to improving and integrating public transport is on the record, not only in our policy pronouncements, but in the additional £1.8 million that we have provided for local authority transport.

The hon. Member for Croydon, South accused the Government of being anti-car. That is far from the case, but we are anti-pollution. I am sure that he is aware that drivers suffer three times more pollution from petrol-driven cars than those who walk on the pavement. Any improvement that can be made in congestion will therefore not only improve journey times, but begin to reduce the amount of pollution in our air, thereby improving the environment and the quality of life in London. That point was made in the thoughtful contribution of my hon. Friend the Member for Brent, East (Mr. Livingstone).

The hon. Member for Croydon, South is clearly anti-pedestrian, and does not like the idea of zebra crossings being introduced. He is also very doubtful about traffic calming measures—which are road safety measures that have reduced accident rates, particularly for children, pedestrians and cyclists. Traffic calming measures have, indeed, reduced the accident rate for children by 67 per cent.

In this debate, the hon. Member for Croydon, South acknowledged that public transport in London is good; although, in our previous debate—in the criticism that he was levelling at London Transport—he could have fooled me that that was his belief. Nevertheless, he ignores the fact that public transport is good only because of a basket of schemes enhancing public transport's priority on the road.

Mr. Ottaway: I cannot let the Minister get away with saying that I am anti-pedestrian. The point—which I went to great lengths to make—is that there has to be a balance between the needs of pedestrians and of motorists. I also

questioned whether the Government had struck the balance right. That certainly does not mean that I am anti-pedestrian.

Ms Jackson: The hon. Gentleman certainly implied that he was anti-pedestrian. He was much exercised by the introduction of pedestrian crossings in a road in his constituency. Moreover, his main concern about the crossings was not safety or the fact that they did not improve access to either side of the road for pedestrians, but that cars had to wait in queues for pedestrians to cross.

Roads are surely not the exclusive preserve of the users of one form of transport, and they certainly are not paid for by users of one form of transport. Surely pedestrians and cyclists, and certainly public transport, have a right to their fair share of our roads and of road use. Ever since the Government entered office, we have been prioritising the needs of pedestrians, cyclists and public transport.

The hon. Member for Croydon, South also expressed concern about the possibility of congestion charging leading to—I paraphrase—a "beggar my neighbour" policy. He gave the example of Bluewater, which he said is having an effect on a town centre in his constituency. Bluewater—which was given planning permission by the previous Administration—underlines the absolute necessity of co-ordinating planning and transport decisions. We have introduced a requirement for those decisions to be co-ordinated. We simply cannot create good transport infrastructures without considering land use and land use planning issues.

In his speech, my hon. Friend the Member for Eltham (Mr. Efford) expressed his concern about those issues. Precisely to address those issues, the Government have made it abundantly clear that there must be co-ordination in any such schemes, and that such schemes must work within an over-arching mayoral strategy. There would be no virtue or value if the introduction of such schemes turned city centres into ghost towns. We are concerned with the revitalisation of our urban centres, and one of the ways of achieving that objective is to make our urban centres pleasant places in which to work, shop, walk and live. We therefore have to reduce not only traffic congestion on our streets, but the noise and environmental pollution that go with that congestion.

I should say again—just so that there is absolutely no doubt about the issue—that the modelling for the public-private partnership for London Underground is not dependent on revenue from road user charges or the workplace parking levy.

As I said, I regret that the hon. Member for North Wiltshire has left the Chamber. I was somewhat bemused by his expression of concern for the poor, the disabled and the elderly. When the Conservative party was in government, those sections of our society seemed to have totally disappeared from Conservative party thinking. He also complained about increased fuel duty as it affected his constituency, again neglecting to point out that that policy was introduced by the previous Government.

The hon. Member also expressed some concern about protecting London. Again, however, a previous Conservative Administration abolished the GLC, thereby denying a democratic voice to the people of London. I shall not go into the details of the inordinate damage that Conservative Administrations have inflicted on Londoners—by taking away housing, jobs and many social services.

The provisions in schedules 18 and 19 will ensure that the schemes that I have been describing may be introduced quickly and operate effectively and equitably. However, I repeat that they are enabling powers, and that it will be for the mayor and the boroughs to decide whether to make use of the charging powers provided by the Bill.

I have already touched on the issue of what I perceive to be the official Opposition's U-turn on the issue, by seeking to deprive the mayor and the boroughs of the option of introducing a road charging scheme. However, as I said, I appreciate from the remarks in Committee of the hon. Member for Croydon, South that he perceives Conservative party policy as in principle favouring introducing such charges—but only nationally and not in London. He did not afford any evidence that, should they be introduced, our hypothecation of any such revenue raised would become part of Conservative policy.

Evidence shows that road user charging and a levy on workplace parking are able to help to tackle the problems of congestion and pollution. Clearly, less congestion means faster, more reliable journey times, and that will benefit businesses, motorists and the capital's bus users. It will make the streets more pleasant for pedestrians and residents, and make our city more attractive to tourists.

New charges will also generate a revenue stream. As I have already made clear, all such schemes introduced by the mayor or boroughs within the GLA's first 10 years will retain every penny of the proceeds for transport expenditure. We shall review the arrangements 10 years after establishment of the GLA.

As I said, we do not share the view of the Liberal Democrats that hypothecation of charging revenues should continue indefinitely, as they might not provide value for money in the long term.

I have also touched on the issue of requiring separate accounts to be maintained and published for each charging scheme, guaranteeing transparency and demonstrating to Londoners that the revenues generated by new charges are additional moneys for transport expenditure.

The Government have made it clear that schemes may be introduced if they directly or indirectly help to deliver the objectives in the mayor's transport strategy. The requirements for the Secretary of State to make regulations covering various aspects of the schemes' operation have been reduced.

We have also given the mayor the opportunity of specifying which aspects of the charging schemes, if any, he or she would wish formally to approve as schemes are developed. That will help to ensure consistency across schemes when the mayor considers that to be necessary, and allow charging authorities the freedom to take decisions on other issues.

I have given only a brief overview of the key changes made to the Bill in Committee. As I said, the Government believe that the Bill's enabling powers are greatly important and must be available to the mayor and the assembly, to ensure that improvements not only in London's public transport but in London's environment may be made.

The Bill's provisions will provide the mayor and boroughs with powers to make a real difference in tackling London's serious traffic problems. Clauses 222 and 223 will, as I said, empower the mayor and borough

[Ms Jackson]

to introduce road user and workplace parking charging schemes. The provisions of schedules 18 and 19 will ensure that schemes may be introduced quickly and operate effectively and equitably.

A world-class city requires a world-class transport system. It is therefore only right that London's mayor and boroughs should have the powers that they need to help them to deliver that goal for Londoners.

8.30 pm

It was heartening to hear the support expressed by my hon. Friends the Members for Brent, East, for Upminster (Mr. Darvill) and for Eltham. They each adopted a reasoned and thoughtful approach—cautious in some instances. Like the Government, they understand that the introduction of congestion charging or levies will need the consent of the people of London. It would not be possible for the debate to begin if the mayor and the boroughs were denied the powers that we have ensured will be enshrined in the Bill—powers that we believe will give Londoners the benefits and improvements in quality of life in this great city that we are committed to ensuring.

Mr. Flight: Like many Conservatives, I have been attracted by the concept of road pricing and the market principles that lie behind it, but the Government are profoundly mistaken if they sincerely believe that it will achieve the two objectives that they claim. Like the taxation of petrol, if it is to have any effect on usage, the charge will have to be very substantial. That would bear hardest on those in the middle of society and those for whom marginal expenditure is meaningful—often those bringing up children and paying mortgages.

My views against the principle were particularly shaped when I read a fascinating account of the early days of the London county council at the beginning of this century. It was a huge relief to Londoners when the LCC came in and swept away the various transport charges such as bridge tolls that were causing delays and congestion. I wonder about the practicalities of how the charges will work. Are they not likely to cause congestion? What is the position of someone who lives on the borders of London? What will the arrangements be for checking and presumably fining people if they have not paid their tax?

I have lived in London for 25 years. The hassle that Londoners have to go through to get a resident's parking permit is irritating, involving taking a form to their employer and getting him to sign and stamp it to confirm that they work for that firm. I suppose that we are now going to have another round of such bureaucratic hassle. I confess that I have driven to and from my workplace since I have lived in London, largely because I have worked late hours. The congestion seems to me to be less than it was 20 years ago. The main cause of that improvement is the building of the M25, which has taken a massive pressure of through traffic off London. It is naive to think that waving our fingers to promote public transport and a congestion charge will be a realistic answer to the problem.

The objective is clearly to raise money. The idea has nothing to do with reducing traffic in London. It would be politically impossible to think of anyone levying a charge high enough to discourage car usage. We are talking about yet another stealth tax. If the hon. Member for Brent, East (Mr. Livingstone) believes that the measure will be popular with Londoners, he is greatly mistaken. If he fancies his chances of being mayor of London, he will have to change his tune.

Mr. Paul Burstow (Sutton and Cheam): The debate has been illuminating, giving us further confirmation of the Conservatives' emerging transport policy. We have learned that their candidate is to enter the mayoral elections with his hands tied in debates about road charges and the workplace levy. That makes it difficult for the Conservatives, to set out transport policies for the benefit of Londoners. It may explain why Steven Norris is at least beginning to consider the possibility of standing not as a Conservative but under an independent banner. As my hon. Friend the Member for Carshalton and Wallington (Mr. Brake) has rightly said, during his time as a Minister and after leaving ministerial office, Mr. Norris was only too willing to acknowledge the fact that workplace charges were essential to deal with some of the fundamental problems of traffic and transportation in Greater London.

We have learned from the hon. Member for Croydon, South (Mr. Ottaway), as he gropes his way towards a new transport policy for the Conservatives, that their ideas involve ripping out pedestrian crossings, removing traffic calming measures and getting cars to go faster on almost every road. It will be interesting to debate those policies during the election campaign next year.

Mr. Ottaway: Our policy is not to rip out pedestrian crossings.

Mr. Burstow: I am delighted to issue the press release confirming that tonight we have managed to persuade the Conservative party to turn away from the crazy policy of which we heard earlier in the debate.

The hon. Member for Croydon, South is right to say that road pricing and workplace charges are not a panacea. They are not the be all and end all of a debate on transport policy. He was right to draw attention to the need to recognise that there should be more investment in clean vehicle technology. I should like to draw the attention of the House to work that is being done in London, led by my local authority in Sutton, in pioneering the Zeus project on the development of low and nil-emission technology, in partnership with Southwark, Merton and other local authorities throughout the country. They are liaising with European partners to work alongside the manufacturing industries that provide our motor vehicles to ensure that they bring forward plans from their drawing boards and put them in the marketplace. That is happening. We are grateful for the support that we have had from the Government, but we wish that they could give a little more leadership by investing the public money for which they are responsible in such vehicles and so setting an example.

The Conservatives have tied the hands of their candidate, but Labour is effectively doing the same thing because of the way in which the Government are setting up the two potential sources of revenue.

It is clear that the Government have not addressed hypothecation, or the permanence of the scheme. I listened closely to the Minister, and I shall address some

of her comments. Reference has been made to the report of the Transport Sub-Committee of the Select Committee on the Environment, Transport and Regional Affairs, and the three key issues identified in the report—hypothecation, permanence and additionality.

The Minister claims that there is 100 per cent. certainty that 100 per cent. of the net proceeds of the initial schemes will go into transport schemes in London. However, we are then told that hypothecation may continue into the future for specific schemes. The Minister has again rejected the idea that we should have the permanent hypothecation of resources, arguing that that would be gold-plating London Transport. Anyone outside this House who heard the argument that if a scheme went on for over 10 years, with the hypothecation of the revenue streams from the two sources of charging, we would be in danger of gold-plating the transport system would wonder where the Minister has been.

Ms Jackson: The hon. Gentleman knows that that is not what I said. I referred to the extension of the initial 10-year period, for example, for schemes such as a private finance initiative which would clearly run on for longer than 10 years. Such examples are included in the Bill, and will be entirely feasible. He is misinterpreting the review which will take place after the first 10 years of a running scheme. That does not mean automatically that hypothecation will end.

I have pointed out one scenario where hypothecation would, of necessity, have to continue, and I can think of many others. I did not say—I am clear that the hon. Gentleman does not think for one moment that I did—that, after 10 years, any form of transport in London would be gold-plated. The Liberal Democrats' argument for permanent hypothecation will not deliver the best possible value with the funds raised; and will not deliver the best possible public transport.

Mr. Burstow: I am pleased that the Minister has acknowledged that, after 10 years, our transport system will not be gold-plated by this Government. Undoubtedly, the Government are not putting in adequate resources to deliver that. Having said that, the key point is that if we are to persuade Londoners that the permissive powers to be granted to the mayor are to be invoked and used for the good of Londoners, we need to be able to say that the money that Londoners will pay will go back to the benefit of Londoners and London Transport. The Government are not prepared to accept that.

Ms Jackson: I hope that the hon. Gentleman will apologise to the House for misleading it in that way. The Government have made it abundantly clear that 100 per cent. of the net proceeds raised will be spent only on the improvement of transport in London.

Mr. Burstow: For 10 years—that is the key point, to which the Minister did not refer.

Ms Jackson: I did not refer to that because I had just, in some detail, evinced to him the realities of what he sees as the 10-year bar less than a minute ago. As he is clearly having difficulty in retaining the information, I will give it again. There will be a review after the first 10 years. That review does not automatically mean the closure of hypothecation. I have given one instance where there would be a clear need for an extension way beyond the initial 10-year scheme. That is my point. We do not accept the Liberal Democrats' argument for permanent hypothecation for the reasons that I have, on more than one occasion, given to the hon. Gentleman and his hon. Friends.

Mr. Burstow: The problem is that the Minister acknowledged earlier that she could not give commitments as to the level of public expenditure to be committed to London Transport over the next 10 years, or any other period. That is why we believe fundamentally that the Government's weasel words on additionality have nothing to do with additionality. The separate accounts to which the Minister referred do not give Londoners any form of guarantee that the revenue streams that the charges will produce will give additional funds for the benefit of London Transport.

Ms Jackson: Given the company he keeps, the hon. Gentleman clearly knows a great deal more about weasel words than I will ever know. The Bill states that the revenues will be additional by virtue of the requirement for separate revenue accounts and income and expenditure accounts, which must be published annually. My point was that I could not guarantee any budget; nor, in the unlikely event of the hon. Gentleman ever being in a Government position, could he. I can assure him of the Government's commitment to local public transport, by virtue of the additional £1.8 million that we have invested.

Mr. Burstow: The Minister is charm itself, and she makes my point for me yet again. She makes it clear that she cannot give a commitment tonight that is essential, in terms of a debate about charges in the elections next year, to give Londoners confidence that they are voting for something that will benefit them and not the Treasury, which undoubtedly has the Minister in an arm-lock and is denying her the ability to give the guarantee this evening.

Ms Jackson: Will the hon. Gentleman give way? *[Interruption.]*

Mr. Deputy Speaker (Mr. Michael Lord): Order. It is entirely up to the hon. Gentleman whether he gives way.

Mr. Burstow: I happily give way to the Minister again.

Ms Jackson: I am grateful. I repeat: we have made it clear that the Government have broken the wall of hypothecation, which was an absolute no-no as far as previous Treasuries were concerned. That is another indication of our unified, linked-up government, inasmuch as we have achieved a clear commitment that 100 per cent. of the net proceeds of the revenues raised will be spent exclusively and totally on transport. Those proceeds will not be diverted into the Treasury—not only in London but in the rest of the United Kingdom—when, as we hope, the schemes are introduced post-legislation.

8.45 pm

Mr. Burstow: The Minister may be right in saying that hypothecation has had one of the arms that was held behind its back released, but the Treasury still firmly grips the other when it comes to budgetary matters. The hon. Lady has not persuaded me or my colleagues that she has been able to convince the Treasury on that point.

The Government will produce a sterile debate about road charging in London because they are not setting up a scheme that will give confidence to Londoners. That is one of our major criticisms of the policy, but we believe that the provisions are needed and we support the permissive powers that they grant. We want the debate to take place because we believe that, ultimately, with the caveats that we have set out, we need the charges to generate the revenues that the mayor will need to deliver real improvements for London in the long term.

Mr. Simon Hughes: New clause 6 suggests a third revenue stream, which it calls a "traffic disruption charge". Some wonderful true stories have appeared in the London press over the past year. On 22 February, the *Evening Standard* carried a story,

"Same road dug up each week for a year".

One of my local authority chiefs complained that Southwark Bridge road in my constituency had been visited 30 times by BT alone, with workmen arriving 75 times in the past 12 months. That was not as bad as a street in Camden that had been disrupted by the utilities 85 times in the previous year.

Without much notice, the Royal Parks decided to close the Mall, effectively blocking all central London's traffic for a few weeks at the turn of the year. The hon. Member for Mid-Dorset and North Poole (Mr. Fraser) introduced a private Member's Bill on the subject earlier in the year, perhaps because of his earlier incarnation as the unsuccessful candidate for Peckham, where I believe he got about 5 per cent. of the vote. The experience may have left a searing impression on him about traffic in London. I welcome his Bill. Lord Archer has also seen that there may be cause for complaint.

If we are seriously looking for revenue streams to help to fund public transport in a way that is ring-fenced, as my hon. Friends have so painstakingly argued, in addition to giving the mayor and the authority the option of workplace and road user charging—which we support—we should consider so arranging matters that, when an agreed contract for digging up the road has been breached, somebody should pay something into the London kitty for the disruption caused.

The Government may not have seriously considered that.

Ms Glenda Jackson: We have.

Mr. Hughes: As far as I know, the Minister has not yet put it on the record whether the Government are for or against the idea. I am not pressing her for an answer now, but I hope that, when the Bill goes to the other place, the Government will seriously consider introducing that third revenue stream. If we are looking for money for London, that seems an obvious source, and it will be extremely popular with Londoners.

Mr. Davey: My hon. Friend is making a refreshingly different speech. Perhaps it should be known as the Heineken traffic disruption charge speech?

Mr. Hughes: My hon. Friend nearly got his joke in.

I hope that my proposal will be taken seriously. It would probably be more popular than the others. I hope that, in due course, not only will London government have the ability to raise revenue as it chooses, but the Government will not interfere in such revenue once it has been raised.

Mr. Ottaway: It is not often that I find common cause with the Minister, but I sensed her frustration when the Liberals were misinterpreting the Government's policy, just as they do my party's policy, which frustrates me.

As this debate has gone on, I have detected a certain frisson in the Chamber. It is beginning to dawn on Members that the Conservatives are right on this matter, and that the other parties are wrong. It is beginning to dawn on people that the Government's policy will not work. It will hit people hard, as my hon. Friends the Members for North Wiltshire (Mr. Gray) and for Arundel and South Downs (Mr. Flight) have pointed out. [HON. MEMBERS: "They are not London Members."] It is a perfectly valid point, no matter where the hon. Members come from.

I also note a willingness among all Members who are not Conservatives to try to put an interpretation on Conservative party policy, so I shall clarify it. The Minister has chosen to misinterpret our policies possibly because I left a slither of a vacuum in them, which I shall now promptly fill. I should make it absolutely clear that we are opposed to congestion taxation in London. I stand by what we said in Committee: we still have an open mind on congestion taxation in the rest of the United Kingdom. That was and remains our position.

The Minister said that she was unable to give an undertaking on the question of additionality because she could not possibly decide the budget for years to come. That is exactly the point that we have been making. It is impossible to give an undertaking on additionality, which is why it will be impossible for the Government to persuade anybody that such additionality will occur.

Ms Glenda Jackson: Will the hon. Gentleman give way?

Mr. Ottaway: No, not at the moment.

The hon. Member for Kingston and Surbiton (Mr. Davey) said that the Government must make their case before they are able to support congestion charging. I do not think that they have made that case. We therefore hope that the Liberal Democrats will join us in the Lobby.

The hon. Member for Eltham (Mr. Efford) spoke about out-of-town centres such as Bluewater, as, indeed, did the Minister. The hon. Gentleman said that he was against out-of-town centres where there was free parking. From that, I presume that he is advocating that such centres should have paid parking. The Minister chose to misinterpret my point about Croydon on that issue. Road pricing is being proposed in Croydon. Why should any shopper choose to pay to go to Croydon when they can go to Bluewater out-of-town retail development and park for nothing? That is the impact that the proposals will have on local economies in London. The Minister has made the case neither for additionality nor for hypothecation. Nor has she addressed the 10-year cut off for hypothecation.

The hon. Member for Brent, East (Mr. Livingstone) supported congestion charging; it was the first time that I have heard him do so. I suppose that the waiting electorate will digest that development. He said that he thought that people would welcome a little extra for the funding of transport in London, but unless the Minister can assure him on additionality, there will not be any little extra. That is the difficulty.

Mr. Livingstone: I trust my colleagues.

Mr. Ottaway: That sounds like a man who is still desperate to be selected as a candidate.

The Minister has failed to persuade us that the proposal will do anything to solve the problems of congestion in London. In fact, it is a stealth tax—a tax by the back door. The issues of pollution can be tackled without the introduction of a congestion charge. Under the circumstances, we shall press the amendment to a Division.

Question put, That the amendment be made:—

The House divided: Ayes 97, Noes 265.

Division No. 166] **[8.55 pm**

AYES

Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, David *(Bour'mth E)*
Baldry, Tony
Beggs, Roy
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Burns, Simon
Butterfill, John
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Colvin, Michael
Cran, James
Curry, Rt Hon David
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Day, Stephen
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fraser, Christopher
Garnier, Edward
Gibb, Nick
Gorman, Mrs Teresa
Gray, James
Green, Damian
Grieve, Dominic
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Heald, Oliver
Heseltine, Rt Hon Michael
Horam, John
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, Rt Hon Michael
Jenkin, Bernard
Key, Robert
Lansley, Andrew
Leigh, Edward
Lidington, David
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Malins, Humfrey
May, Mrs Theresa
Nicholls, Patrick
Ottaway, Richard
Page, Richard
Paterson, Owen
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Rowe, Andrew *(Faversham)*
St Aubyn, Nick
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Simpson, Keith *(Mid-Norfolk)*
Stanley, Rt Hon Sir John
Swayne, Desmond
Syms, Robert
Taylor, Ian *(Esher & Walton)*
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Trend, Michael
Viggers, Peter
Walter, Robert
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Wilshire, David
Winterton, Mrs Ann *(Congleton)*
Woodward, Shaun
Young, Rt Hon Sir George

Tellers for the Ayes:
Mrs. Eleanor Laing and Sir David Madel.

NOES

Abbott, Ms Diane
Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Janet *(Rossendale)*
Armstrong, Rt Hon Ms Hilary
Ashton, Joe
Atkins, Charlotte
Austin, John
Barnes, Harry
Barron, Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Benn, Rt Hon Tony
Bennett, Andrew F
Bermingham, Gerald
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brake, Tom
Breed, Colin
Brown, Rt Hon Nick *(Newcastle E)*
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burstow, Paul
Butler, Mrs Christine
Byers, Rt Hon Stephen
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Cann, Jamie
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Rt Hon Dr David *(S Shields)*
Clark, Dr Lynda *(Edinburgh Pentlands)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Corston, Ms Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Cov'try S)*
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Davis, Terry *(B'ham Hodge H)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Donohoe, Brian H
Dowd, Jim
Drew, David
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hinchliffe, David
Hodge, Ms Margaret
Hoey, Kate
Hoon, Geoffrey
Hope, Phil
Howarth, George *(Knowsley N)*
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*

Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kemp, Fraser
Khabra, Piara S
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Laxton, Bob
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
Love, Andrew
McAvoy, Thomas
McCafferty, Ms Chris
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettleston)*
Marshall, Jim *(Leicester S)*
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Morley, Elliot
Mountford, Kali
Mullin, Chris
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Palmer, Dr Nick
Pearson, Ian
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prosser, Gwyn
Purchase, Ken
Rammell, Bill
Rapson, Syd
Raynsford, Nick
Robertson, Rt Hon George *(Hamilton S)*
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheldon, Rt Hon Robert
Singh, Marsha
Skinner, Dennis
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Snape, Peter
Soley, Clive
Southworth, Ms Helen
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Strang, Rt Hon Dr Gavin
Stringer, Graham
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark
Tonge, Dr Jenny
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wray, James
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*

Tellers for the Noes:
Jane Kennedy and
Mr. Keith Hill.

Question accordingly negatived.

It being after Nine o'clock, MR. DEPUTY SPEAKER *proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Schedule 18

ROAD USER CHARGING

Amendments made: No. 140, in page 233, line 31, at end insert—

'(1A) Any charge imposed by a charging scheme in respect of the keeping of a motor vehicle on a road in a charging area must also have effect in respect of the use of the motor vehicle in that charging area.'.

No. 141, in page 235, line 5, leave out 'four' and insert 'ten'.

No. 142, in page 238, line 23, at end insert—

'4 year programmes: amendment, replacement and voluntary statements

23A.—(1) Where a statement has been prepared and approved under paragraph 20 or 22 above, the authority which prepared the statement may—

(a) amend the statement, or

(b) replace it with another statement (a "replacement statement"),

but subject to the following provisions of this paragraph.

(2) Subject to the following provisions of this paragraph, where a charging scheme is in force—

(a) the charging authority may prepare a statement such as is described in paragraph 20(1) above, and

(b) if the charging scheme is one to which paragraph 21 above applies, the Authority may prepare a statement such as is described in paragraph 22(2) above,

at any time before the beginning of the first financial year for which a statement under paragraph 20 or, as the case may be, paragraph 22 above is required to be prepared in respect of the scheme.

(3) For the purposes of this paragraph—

(a) a "voluntary statement" is a statement prepared under sub-paragraph (2)(a) or (b) above,

(b) a statement prepared under sub-paragraph (2)(a) above shall be treated as a statement prepared under paragraph 20 above and, if approved in accordance with the provisions of this paragraph, as approved under that paragraph, and

(c) a statement prepared under sub-paragraph (2)(b) above shall be treated as a statement prepared under paragraph 22 above and, if approved in accordance with the provisions of this paragraph, as approved under that paragraph,

and references to statements under paragraph 20 or 22 above shall be construed accordingly.

(4) The power conferred by sub-paragraph (1)(b) or (2) above is exercisable—

(a) in the case of a statement under paragraph 20 above in respect of a borough scheme, during the period of six months beginning with the day on which a change of control of the London borough council concerned occurs; or

(b) in any other case, during the period of six months beginning with the term of office of any person returned as the Mayor at an ordinary election or at an election under section 16 of this Act.

(5) Where, in exercise of the powers conferred by this paragraph, an authority proposes—

(a) to amend or replace a statement prepared and approved under paragraph 20 or 22 above, or

(b) to prepare a voluntary statement,

sub-paragraph (6) below applies.

(6) Where this sub-paragraph applies, the amendment, replacement statement or voluntary statement must be submitted for approval—

(a) to the Secretary of State; and

(b) if the statement concerned or affected is one prepared in respect of a borough scheme by the charging authority, to the Authority.

(7) Where sub-paragraph (6)(b) above applies, any submission to the Secretary of State under sub-paragraph (6)(a) above may only be made—

(a) by the Authority acting on behalf of the charging authority concerned; and

(b) after the giving by the Authority of the approval required by sub-paragraph (6)(b) above.

(8) Where a statement prepared and approved under paragraph 20 or 22 above is amended in accordance with this paragraph, the statement shall continue to be regarded for the purposes of this Schedule as a statement so prepared and approved, notwithstanding the amendment.

(9) A replacement statement or a voluntary statement must relate to the four financial years beginning with the financial year in which it takes effect (disregarding so much of that year as has expired before the statement takes effect).

(10) A replacement statement or voluntary statement prepared and approved under this paragraph shall be taken for the purposes of this Schedule to be a statement prepared and approved—

(a) under paragraph 20 above, if it was prepared in respect of a charging scheme by the charging authority; or

(b) under paragraph 22 above, if it was prepared by the Authority.

(11) Where a voluntary statement or replacement statement prepared by an authority takes effect, the time at which any subsequent statement is required to be prepared by that authority by virtue of paragraph 20 or 22 above in respect of the charging scheme in question shall be determined as if the financial year preceding that in which the replacement statement or voluntary statement takes effect had been such a fourth year as is mentioned in sub-paragraph (1) of that paragraph.'.—*[Mr. Dowd.]*

Schedule 19

WORKPLACE PARKING LEVY

Amendments made: No. 143, in page 246, line 48, leave out 'four' and insert 'ten'.

No. 144, in page 250, line 17, at end insert—

'4 year programmes: amendment, replacement and voluntary statements

29A.—(1) Where a statement has been prepared and approved under paragraph 26 or 28 above, the authority which prepared the statement may—

(a) amend the statement, or

(b) replace it with another statement (a "replacement statement"),

but subject to the following provisions of this paragraph.

(2) Subject to the following provisions of this paragraph, where a licensing scheme is in force—

(a) the licensing authority may prepare a statement such as is described in paragraph 26(1) above, and

(b) if the licensing scheme is one to which paragraph 27 above applies, the Authority may prepare a statement such as is described in paragraph 28(2) above,

at any time before the beginning of the first financial year for which a statement under paragraph 26 or, as the case may be, paragraph 28 above is required to be prepared in respect of the scheme.

(3) For the purposes of this paragraph—

(a) a "voluntary statement" is a statement prepared under sub-paragraph (2)(a) or (b) above,

(b) a statement prepared under sub-paragraph (2)(a) above shall be treated as a statement prepared under paragraph 26 above and, if approved in accordance with the provisions of this paragraph, as approved under that paragraph, and

(c) a statement prepared under sub-paragraph (2)(b) above shall be treated as a statement prepared under paragraph 28 above and, if approved in accordance with the provisions of this paragraph, as approved under that paragraph,

and references to statements under paragraph 26 or 28 above shall be construed accordingly.

(4) The power conferred by sub-paragraph (1)(b) or (2) above is exercisable—

(a) in the case of a statement under paragraph 26 above in respect of a borough scheme, during the period of six months beginning with the day on which a change of control of the London borough council concerned occurs; or

(b) in any other case, during the period of six months beginning with the term of office of any person returned as the Mayor at an ordinary election or at an election under section 16 of this Act.

(5) Where, in exercise of the powers conferred by this paragraph, an authority proposes—

(a) to amend or replace a statement prepared and approved under paragraph 26 or 28 above, or

(b) to prepare a voluntary statement,

sub-paragraph (6) below applies.

(6) Where this sub-paragraph applies, the amendment, replacement statement or voluntary statement must be submitted for approval—

(a) to the Secretary of State; and

(b) if the statement concerned or affected is one prepared in respect of a borough scheme by the licensing authority, to the Authority.

(7) Where sub-paragraph (6)(b) above applies, any submission to the Secretary of State under sub-paragraph (6)(a) above may only be made—

(a) by the Authority acting on behalf of the licensing authority concerned; and

(b) after the giving by the Authority of the approval required by sub-paragraph (6)(b) above.

(8) Where a statement prepared and approved under paragraph 26 or 28 above is amended in accordance with this paragraph, the statement shall continue to be regarded for the purposes of this Schedule as a statement so prepared and approved, notwithstanding the amendment.

(9) A replacement statement or a voluntary statement must relate to the four financial years beginning with the financial year in which it takes effect (disregarding so much of that year as has expired before the statement takes effect).

(10) A replacement statement or voluntary statement prepared and approved under this paragraph shall be taken for the purposes of this Schedule to be a statement prepared and approved—

(a) under paragraph 26 above, if it was prepared in respect of a licensing scheme by the licensing authority; or

(b) under paragraph 28 above, if it was prepared by the Authority.

(11) Where a voluntary statement or replacement statement prepared by an authority takes effect, the time at which any subsequent statement is required to be prepared by that authority by virtue of paragraph 26 or 28 above in respect of the licensing scheme in question shall be determined as if the financial year preceding that in which the replacement statement or voluntary statement takes effect had been such a fourth year as is mentioned in sub-paragraph (1) of that paragraph.'.—*[Mr. Dowd.]*

Clause 301

REGULATIONS AND ORDERS

Amendments made: No. 126, in page 157, line 21, leave out '27 & and insert

'*(Limits of the general power)*'.

No. 138, in page 157, line 21, leave out from 'above' to end of line 22.

No. 145, in page 157, line 27, after 'paragraph' insert '4 or'.

No. 100, in page 158, line 5, leave out 'or (2)'.

No. 101, in page 158, line 5, at end insert 'or (5)'.

No. 109, in page 158, leave out line 11.

No. 110, in page 158, line 11, at end insert—

'section *(Transitional and consequential provision)*;'.

No. 111, in page 158, line 11, at end insert—

'section *(Transfers of property, rights or liabilities)*;'.

No. 112, in page 158, line 11, at end insert—

'section *(Pensions)*;'.

No. 113, in page 158, line 11, at end insert—

'section *(Transfer and pension instruments: common provisions)*;'.—*[Mr. Dowd.]*

Schedule 26

ENACTMENTS REPEALED

Amendment made: No. 150, in page 302, line 45, column 3, at beginning insert

'In section 1(3), the words "but excluding any part of it within the metropolitan police district".'.—*[Mr. Dowd.]*

Clause 305

INTERPRETATION

Amendments made: No. 127, in page 159, line 9, at end insert—

' "national policies" means any policies of Her Majesty's government which are available in a written form and which—

(a) have been laid or announced before, or otherwise presented to, either House of Parliament; or

(b) have been published by a Minister of the Crown;'.

No. 128, in page 159, line 15, at end insert—

' "principal purposes", in relation to the Authority, shall be construed in accordance with section *(The general power of the Authority)*(2) above;'.

No. 114, in page 159, line 34, at end insert—

'(4) Any power conferred by this Act to affect enactments by subordinate legislation is exercisable notwithstanding that those enactments consist of or include—

(a) provisions contained in Part III above;

(b) provisions relating to the subject matter of that Part; or

(c) provisions creating or otherwise relating to offences.

(5) In subsection (4) above "affect", in relation to any enactment, includes make—

(a) incidental, consequential, transitional, supplemental or supplementary provision or savings; or

(b) amendments, modifications or adaptations.'.—*[Mr. Dowd.]*

New Clause 16

TRANSFERS OF LRT'S PROPERTY ETC TO TRANSPORT FOR LONDON

'.—(1) The Secretary of State shall from time to time prepare programmes for the transfer to Transport for London of property, rights and liabilities of London Regional Transport—

(a) for the purpose of enabling Transport for London to perform its functions as they become exercisable; or

(b) in preparation for the dissolution of London Regional Transport;

and in this Chapter "transfer programme" means a programme under this subsection.

(2) Any powers conferred by Part XII below are exercisable for the purpose of implementing any transfer programme.

(3) A transfer programme may include plans relating to—

(a) the transfer of rights and liabilities under contracts of employment;

(b) the provision of pensions, within the meaning of section *(Pensions)* below;

(c) the apportionment of any property, rights or liabilities;

(d) the creation of rights or liabilities;

(e) the transfer of statutory functions;

(f) the exercise of any other powers under Part XII below.

(4) A transfer programme may provide for different property, rights or liabilities to be transferred on different days.

(5) To the extent that a transfer programme has not been implemented, it may be varied or replaced by another such programme.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 17

FUNCTIONS DURING THE TRANSITION FROM LRT TO TfL

'.—(1) In this section "transitional purpose" means the purpose of—

(a) facilitating the securing and carrying into effect of PPP agreements under Chapter VI above;

(b) facilitating the transfer of property, rights or liabilities of London Regional Transport to Transport for London; or

(c) securing that public passenger transport services continue to be provided without disruption.

(2) London Regional Transport shall be under a duty, and shall be taken at any time before the coming into force of this section to have had power, to do all such things as it considers appropriate for any transitional purpose.

(3) In discharging their functions during the transitional period it shall be the duty of—

(a) the Mayor,

(b) London Regional Transport, and

(c) Transport for London,

to consult and co-operate with each other for any transitional purpose.

(4) The following provisions of this section have effect for the purpose of facilitating the discharge of the duty of co-operation imposed on London Regional Transport and Transport for London by subsection (3) above.

(5) London Regional Transport and Transport for London shall each provide to the other such information as may reasonably be required by that other for the purpose of discharging any of its functions during the transitional period.

(6) London Regional Transport and Transport for London shall each have power to enter into arrangements with the other—

(a) for the provision by the one for the other of administrative, technical or professional services or of passenger transport services;

(b) for the one to make available for use by the other, or for shared use by each of them, any land, equipment or other property;

(c) for the one to place any of its officers or other members of staff at the disposal of the other, for the purposes of its functions;

(d) for the discharge by the one of any functions of the other on its behalf.

(7) Arrangements entered into under subsection (6) above may be on such terms as may be agreed between London Regional Transport and Transport for London.

(8) Arrangements by virtue of paragraph (c) of subsection (6) above may only be entered into after consultation with the officers or members of staff concerned.

(9) In this Chapter "the transitional period" means the period which—

(a) begins with the coming into force of this section; and

(b) ends on the day on which London Regional Transport ceases to provide or secure the provision of public passenger transport services.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 18

FARES ETC DURING THE TRANSITIONAL PERIOD

'.—(1) If provision is made under or by virtue of this Act which has the effect of applying to any extent in relation to London Regional Transport during the transitional period—

(a) the powers conferred on the Mayor by section 134 above, and

(b) the duty imposed on the Mayor by section 135 above,

then the Mayor, in discharging that duty as so applied in relation to London Regional Transport, shall act in a way which he considers will not prejudice the financial or other interests of London Regional Transport, having regard to the financial and other interests of Transport for London.

(2) If provision is made under or by virtue of this Act which has the effect of—

(a) applying to any extent in relation to London Regional Transport during the transitional period any of the provisions contained in sections 187 to 190 above or Schedule 12 to this Act, and

(b) authorising or requiring Transport for London during the transitional period to act on behalf of London Regional Transport for the purposes of any of those provisions as so applied,

then Transport for London, in acting on behalf of London Regional Transport for those purposes, shall do so in a way which (having regard to its own financial and other interests) it considers will not prejudice the financial or other interests of London Regional Transport.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 19

CONTINUITY: REPEALED OR REVOKED FUNCTIONS OF LRT

'.—(1) In this section—

"abolished function" means any function of London Regional Transport which was conferred or imposed by a statutory provision which is repealed or revoked by or under this Act;

"abolition", in relation to an abolished function, means the coming into force of the repeal or revocation of the provision conferring or imposing the function;

"statutory provision" means an enactment contained in—

(a) an Act passed before the date on which London Regional Transport is dissolved or in the Session in which that date falls; or

(b) subordinate legislation made before that date or in that Session.

(2) There may be continued by or in relation to Transport for London anything (including legal proceedings) which relates to an abolished function and is in the process of being done by or in relation to London Regional Transport immediately before the abolition of the function.

(3) Anything which—

(a) was made or done by London Regional Transport for the purposes of or in connection with an abolished function, and

(b) is in effect immediately before the abolition of the function,

shall have effect as if made or done by Transport for London.

(4) Transport for London shall be substituted for London Regional Transport in any instruments, contracts or legal proceedings which relate to an abolished function and which were made or commenced before the abolition of the function.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 20

TRANSFER OF FORMER FUNCTIONS OF LONDON TRANSPORT EXECUTIVE

'. Any functions of the London Transport Executive established under section 4 of the Transport (London) Act 1969 which, by virtue of section 67(1) of the London Regional Transport Act 1984 are exercisable by London Regional Transport, shall instead be exercisable by Transport for London.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 21

DISSOLUTION OF LONDON REGIONAL TRANSPORT

'. When the Secretary of State is satisfied that provision has been made for the transfer of all property, rights and liabilities of London Regional Transport, he may by order provide for the dissolution of London Regional Transport.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 22

INTERPRETATION OF CHAPTER XIV

'. In this Chapter—

"transfer programme" has the meaning given by section *(Transfers of LRT's property etc to Transport for London)*(1) above;

"the transitional period" has the meaning given by section *(Functions during the transition from LRT to TfL)*(9) above.'.—*[Mr. Dowd.]*

Brought up, read the First and Second time, and added to the Bill.

Order for Third Reading read.—[Queen's consent, on behalf of the Crown, signified.]

Motion made, and Question proposed, That the Bill be now read the Third time.—[*Mr. Dowd.*]

Mr. Deputy Speaker: I must remind the House that Madam Speaker has selected the reasoned amendment in the name of the Leader of the Opposition.

9.8 pm

Mr. Ottaway: I beg to move,

That this House, whilst accepting the principle of a representative body to speak for London, declines to give a Third Reading to the Greater London Authority Bill because it provides for an Authority elected by proportional representation, which will lead to weak government and disproportionate influence of minority parties; because it introduces road user charging which will not solve the problems of congestion or pollution in London; and because it provides wholly unsatisfactory arrangements for the future of London Underground which will not receive the necessary funding or management under the Government's proposed Public Private Partnership, thus burdening Londoners with substantial levels of debt from the outset.

The Conservatives make no apology for having scrapped the Greater London council—it was a bloated, inefficient and expensive organisation. However, we recognise that there is a case for a voice for London. We believe that the borough system has worked well for the past decade and argue that, working with the mayor of London, the boroughs have it within their grasp to become a more effective organisation. That would be to the benefit of the London boroughs and of London as a whole.

The model enshrined in the Bill, however, does not hold much appeal for us. Our arguments that the assembly should comprise an assembly of borough representatives have been rejected and, as a result, we believe that the potential for conflict with the London boroughs is real, and we fear clashes reminiscent of the bad old days of the GLC. We also believe the method of election of both the mayor and the assembly to be flawed. The assembly is almost guaranteed to be hung, and all the inherent weaknesses of proportional representation will be on display.

It is also arguable—in the light of the Government's confessed concerns about the potential rise of extremist parties in London—whether PR is the right method of election for London.

Mr. Simon Hughes: The hon. Gentleman says that he believes that the Greater London Authority is almost bound to be hung. If by that he means that there is bound to be no majority for one party, and if it is the case that Londoners who vote do not by a majority vote for one party, does he not accept that the GLA would be more accurately representing Londoners if it represented them according to the share of the votes that they cast than by the result of a distorted figure that gives a minority a majority?

Mr. Ottaway: Time does not permit a detailed analysis of electoral systems. The hon. Gentleman is going into old territory on proportional representation. The Conservative party thinks that PR gives disproportionate power to minority parties and that that will be to the detriment of the assembly.

Before I gave way to the hon. Gentleman, I was questioning whether PR is the right method of election for London given the Government's professed concern about the potential rise of extremist parties in London. It is safe to say that it is not beyond the realms of possibility that a British National party candidate could be elected to the assembly. There is also a lack of checks and balances if the mayor loses the plot. The separation of powers between the executive and the assembly is unique to this country. Without the checks and balances of such democratic systems as exist in the United States, for example, the risk of disaster will always be round the corner.

In the old Greater London council, the leader could be removed. In the House, the Prime Minister can be removed. The leader of any council in the country can be removed. However, in London, even if 5 million people signed a petition calling for the removal of the mayor, with a unanimous resolution of this House and the other place and a flock of psychiatrists in Harley street declaring the mayor to be insane, nothing could be done and he could continue in office if he so wished.

London is to be used as a pilot scheme for extra taxation in the form of road user charging. Given that that is unlikely to have any effect upon congestion; given that most public transport systems in London are already saturated and could not cope if there were an exodus from the car; given that the stated aim of road user charging is to reduce the level of pollution, which it is unlikely to do; and given that it is a tax by the back door, we believe that London is not the right place to introduce such a scheme, and we oppose it.

Above all, the biggest disaster waiting to happen concerns London underground. The Government are busy negotiating a public-private partnership. They have little idea how it will end up, but they know that they will not have completed negotiations by the time the new authority starts work. The Government have given little indication of the mayor's involvement in the negotiations. They simply intend that when they have finished their negotiations, they will dump the outcome on the people of London, walk away from it and say, "You pay off the debt."

The Government are so panicky that the hon. Member for Brent, East (Mr. Livingstone) may end up as the first mayor of London that they have introduced no fewer than 250 powers to enable the Secretary of State to intervene. The House should be under no illusion but that whoever is elected as the first mayor of London will be very much under the thumb of the Secretary of State. The mayor's room to manoeuvre will be minimal and his chance to introduce his own flair and imagination will be strictly limited. The shape and direction of the authority will be very much at the Government's whim. None of this bears any resemblance to, or has any place in, the Conservative party's vision for London.

Our vision is of a lighter touch, with an assembly of borough leaders working with the mayor, not against him. We have a vision of an underground system maximising the benefits that the private sector can bring, with the motorist being managed, not clobbered. It is a vision of working with the people of London, not against them. It is for these reasons that I urge the House to support our reasoned amendment.

9.15 pm

Mr. Darvill: I oppose the amendment and support the Third Reading of the Bill.

As a member of the Standing Committee and a comparatively new Member of the House, I found the experience in Committee extremely worth while. It was a good-natured Committee, by and large. More than 100 hours of work on the detail of the Bill certainly added to my knowledge of pan-London issues.

The restoration of strategic Londonwide government, in which I am proud to have played a small part, will be a lasting legacy of the Government. Within two years of the general election and on the basis of my party's firm manifesto commitment, a referendum was held and supported by a large number of Londoners, and a comprehensive Bill produced. That is indeed a tribute to the work of the Government and the House.

The Bill not only has support in the House and Londonwide, through the ballot box and the referendum, but during the course of the Standing Committee I received numerous briefings from business organisations, the Association of London Government and so on, supporting the broad thrust of the Bill. It clearly meets the wide-ranging demands of various groups of Londoners.

Developing strategy for the mayor will be an important part of life in London for the next year or so, as we lead up to the election, and afterwards. It is not a question of working against Londoners, as the hon. Member for Croydon, South (Mr. Ottaway) claimed. The ethos of the Bill is to work with Londoners, the London boroughs and all the participatory organisations set out in the Bill.

Transport will be the principal focus of the GLA and the mayor. It was good to debate the subject at such length today, as that is the aspect of life in London where most difference can be made. The time that we spent debating transport this evening and in Committee was time well spent. Adding democratic power to the police authority is another important step. The powers of the London development agency to regenerate London and the measures relating to the environment and the emergency services are all significant.

I believe that in Committee we spent too long on some clauses and not enough time on others. With due respect to colleagues on the Liberal Benches, having listened to them on many occasions I thought that our time could have been better spent on the more important clauses, rather than listening to the repetition of the same points on others. It is for hon. Members to present their own arguments, but when we are considering a Bill of more than 300 clauses that deals with such important issues as transport and strategic regeneration, we must use our time effectively. On the whole, however, the Committee did its work well.

I am proud to support the Bill and I wish it good speed.

9.19 pm

Mr. Simon Hughes: This is not only a long Bill; its size suggests serious reading. At the start of our debate yesterday, it was already the largest and longest in the living memory of the Officers of the House, comprising 306 clauses and 26 schedules. My hon. Friend the Member for Sutton and Cheam (Mr. Burstow) kindly added up the additional contents, which have been added over only the past two days. We calculate that the Bill now comprises 338 clauses and 27 schedules. The only significant problem is that it has not got better; with expansion, it has got worse.

Mr. Gapes: Will the hon. Gentleman give way?

Mr. Hughes: In a moment.

My hon. Friends and I made our position clear on Second Reading. We have long advocated London having its own democratic government, and we therefore supported introducing a Bill that would allow us to consider that proposal, but we raised five principal objections.

We said that there was far too much central Government power over what was meant to be a handing over of regional government power. That was true, and is still absolutely true. We said that there was no power, which there should have been, to vary the amount of money raised by the Greater London Authority. If we want to give real political power, we have to give real economic power. That was true, and is still true.

We said that the mayor would be too powerful relative to the assembly. That was absolutely true, and is still absolutely true.

The Minister for London and Construction (Mr. Nick Raynsford): No.

Mr. Hughes: It is absolutely true. As the Minister and his colleagues kept on telling us, the Bill's structure means that we will have an executive mayor and an assembly that, if it is lucky, will benefit from a bit of consultation about what the mayor is planning to do.

Like many of the people who responded to the Green Paper, we argued strongly that the principal powers should be extended to include duties relating to the health of Londoners and the co-ordination of the provision of higher, or post-secondary, education. Neither has been included in the Bill. We argued that, although the electoral system would be better than the one we had when London last had regional government, the proposed system was not the best. That is as true now as when we started our consideration of the Bill. I have to report that there has been no improvement at all to any of the proposals that were the subject of those five objections.

We were surprised that the Government resisted so many of the specific ways in which we sought to amend the authority's general powers. We argued that a principal purpose of the new authority should be promoting the health of people in Greater London, but they resisted that. We argued that a principal purpose should be the achievement of sustainable development. They resisted that. Saddest of all, when we argued yesterday that a principal purpose of the authority should be the promotion not only of social development but of equal opportunities, they resisted that, too.

We argued that it might be possible for the deputy mayor to be chosen by the assembly, given that the deputy mayor has to come from the assembly. We thought that the Government might accept that reasonable and modest proposal—but no, the deputy mayor has to be appointed by the mayor because the mayor has to keep all the power to herself or himself.

On Second Reading, we also flagged up the fact that we wanted to introduce parish and community councils in London under the umbrella of the Bill. The rest of Britain

[Mr. Hughes]

can have them, but sadly, that was not technically possible because of the Bill's long title. We shall have to come back to that issue.

We have clearly moved forward in some respects and progress has been made. We flagged up the fact that the Government were proposing that, although the elections would be in May next year, the authority would come into existence in April. We persuaded them that that was not terribly logical. There will now be elections for the assembly in May and the authority will come into being in July, which is a welcome change.

We welcome the proposals for consulting more widely with London's representative communities, which we argued about in Committee. We welcome wider consultation with people about the appointment of chief officers of police, which we pressed for in Committee. We greatly welcome the great concessions of yesterday, when the Government accepted our amendments: climate change should appear instead of global warming, and waste minimisation should be added to the list of environmental considerations. Those are small amendments for which we are nevertheless grateful.

It was also accepted all round the House that, for the first election, there should be a minimum threshold, for particular London reasons, for those who are to be elected on the top-up list. However, Liberal Democrat Members made it clear that we reserve our position until we have heard the electoral commission's report on the viability and appropriateness of continuing a threshold thereafter.

Mr. Jim Fitzpatrick (Poplar and Canning Town): Given the vandalism of the Conservative Government, who abolished the GLC, and the fact that this Government are re-establishing London government, may I suggest that Liberal Democrats are nitpicking? They accuse us of centralisation, but we are responding to public demand and restoring London government. In respect of economic power, we are creating a regional development agency and the power of the mayor will be balanced by the assembly. Health is a feature, and we are not returning to a GLC. We are restoring London government, and Londoners will elect a Labour mayor.

Mr. Hughes: The hon. Gentleman has a duty to defend the proposition put forward by his party, given that he is responsible for so much in London Labour party politics.

We take the same general view on this Bill as we take on the Government's constitutional reforms in Scotland, Wales and Northern Ireland. The Government could have been brave, but they are usually timid. They could have real devolution, but they always stop short. They could have given power away from Whitehall, but they always keep Secretaries of State and Prime Ministers in charge of the bodies that are meant to be devolved.

Mr. Gapes: In his discussions with his colleagues, could the hon. Gentleman find time to suggest to his mathematical colleague, the hon. Member for Sutton and Cheam (Mr. Burstow), that he might wish to calculate the number of repetitive arguments that have been put ad nauseam by the Liberal Democrats at every Committee sitting and in the House?

Mr. Hughes: I seem to remember that the hon. Gentleman came up with some extraordinary views in Committee which suggested that Stalinism still reigns on some of the Labour Benches. We kept to the agreed timetable in Committee. My hon. Friends and I contributed to most debates, unlike most Labour Back Benchers, who were noticeably silent. Sadly, that is a reflection of the state of the parties: we speak our minds, whereas Labour Members are often not allowed to do so.

The Government had opportunities to make progress. They could have agreed to allow the mayor to be recalled—a point made by the hon. Member for Croydon, South (Mr. Ottaway)—if he or she no longer had the confidence of Londoners, but they resisted. They could have allowed London government to take account of national policy, but not to be required to be consistent with it. Why have devolution if the devolved body has to do the same as everyone else? However, the Government resisted that. They could have allowed London government to be free of capping, but they resisted it. They could have allowed the current concessionary fare regime, which is the best of the series of regimes, to be the starting point for concessionary fares in the new London government, but instead we shall start with the old regime, which is less good in terms of those who benefit from the concessions.

Although we welcome the opportunity for road charging to be levied both at the workplace and for road users, the Government resisted other transport proposals that were obviously necessary. They resisted permanent hypothecation, which we debated regularly with the Minister for Transport in London. They resisted the proposal by my hon. Friend the Member for Carshalton and Wallington (Mr. Brake) for a guaranteed annual increase in funding for London transport in line with the retail price index.

Then, in Committee, we had the blow that none of us expected. We imagined that London Regional Transport would be abolished and handed over to Transport for London, but we discovered that it would not be abolished after all. We discovered that the invitation to tender for the new tube system, which was meant to be issued early this spring, had still not been issued, and that the public-private partnership, which the Government say is not driven by empty ideology, is something to which the Government are so wedded that they will continue with it, despite the fact that it appears to be an empty proposition. Nobody is playing that game. My hon. Friends have offered the Government a better, internationally tried and tested, and acceptable alternative—a public interest company to run London underground. Instead, next July we are to have a London government that will not allow the mayor or the assembly to run the key transport system that everybody thought it would run.

We do not support the Conservative amendment, and we shall oppose it. The Conservatives complain about the fairer electoral system that is proposed, because they believe that it will lead to parties having an influence out of proportion to the number of their candidates who have been elected. The fact is that people will be elected in proportion to the votes cast for them. The Tory party has set itself against the right of the London government to introduce road charging, which we think it should have. The Tory answer to the problem of the future of the tube is to privatise it, which my hon. Friends and I have always opposed.

I pay tribute to my hon. Friends who have worked assiduously in Committee for 100 hours, and to my hon. Friend the Member for Carshalton and Wallington (Mr. Brake), who has supported us throughout. For Liberal Democrats, this Bill has been a test of whether the Government would deliver regional government for London. We gave them the benefit of the doubt on Second Reading. Sadly, we have been let down, so we shall not be able to support the Bill on Third Reading tonight.

9.31 pm

Ms Linda Perham (Ilford, North): I welcome the Bill, which will restore democratic accountability to London. I still welcome it, even though we spent until midnight yesterday discussing it, and 100 hours in Committee, not to mention Second Reading. As amended, it is now an immensely detailed document. If the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) is to be believed, it is the largest ever Bill. It will fundamentally affect the lives of Londoners by setting out how the mayor and assembly will be elected, the accountability of the mayor, which is most important, and the strategies of the mayor.

The capital's transport strategy is of great importance to Londoners, and has rightly generated huge interest. It has taken up a great deal of time and energy on the Floor of the House and in Committee. It was one of the areas that I focused on in my speech on Second Reading on 14 December. I raised issues of concern to the licensed taxi trade, a large number of whose drivers live in my constituency. I was pleased to introduce a new clause in Committee on charging fees for "the knowledge", so that existing drivers do not have to subsidise applicants for licences. The Government have accepted the case, and hope to introduce a measure in the other place.

The Bill deals with the vital area of planning. There is a clear need for a strategic approach to planning in London. If strategic planning was not needed after the abolition of the Greater London council, why did the London Planning Advisory Committee have to be established?

There is also a clear need for a London overview of environmental issues, such as biodiversity, waste management, air quality and noise. A culture strategy is also important. That comes last on the list, but as far as I am concerned last is not least. As a former chair of the leisure committee on the London borough of Redbridge and as a professional librarian, I strongly hold the view that people spend their quality time on leisure and culture—what they choose to do with their time, rather than what they are obliged to do with it. Under that heading come art and tourism, sport, buildings, treasures, antiquities, broadcasting and other media, museums, galleries and libraries.

I am delighted that the London research centre—the former research library—which was wrenched from its place in County hall when the GLC was spitefully abolished, will return under the umbrella of our splendid new GLA to continue to serve Londoners through their mayor and assembly.

9.34 pm

Mr. Wilkinson: The Bill has been notable for the excellent relations between hon. Members on the Front Benches. That has enabled us to make progress within the timetable, and to try to improve the Bill. Candidly, it has come out of its Committee and Report stages hardly any better. It is undoubtedly longer, and I shall judge it by its effect on my constituents.

I must pay tribute to my hon. Friend the Member for Croydon, South (Mr. Ottaway), who has been good humoured, but tenacious throughout; our Whip, my hon. Friend the Member for Solihull (Mr. Taylor), who was the only non-London member of the Standing Committee; and the Nestor on our Committee, my right hon. Friend the Member for Cities of London and Westminster (Mr. Brooke), to whom we Conservative Achaeans always turn for wise counsel in the difficult task of investing socialist—I must not call it that—new Labour Ilium. The triumvirate—or should I say "tripersonate"?—on the Government Front Bench, the hon. Members for Greenwich and Woolwich (Mr. Raynsford), for Hampstead and Highgate (Ms Jackson) and for Vauxhall (Kate Hoey), have been attentive and courteous, and we appreciate the way in which they have responded to all our questions.

I asked whether the Bill would benefit my constituents. It will provide a voice for London; but will the mayor's voice be the authoritative voice of Londoners, or will he merely articulate his own concerns? We look to the assembly to modify his opinions, and to provide counsel and input to ensure that local interests are secure. We have our doubts, however. As my hon. Friend the Member for Croydon, South said, without borough representation there is a serious likelihood that important local interests will be subordinated to the concerns and preoccupations of the mayoralty, or of London as a whole.

The assembly will be a strange political hermaphrodite. How the two parts will coexist remains to be seen, but I am sure that the directly elected representative for my constituents' borough and the neighbouring borough of Ealing will carry more weight than the more rootless individuals who will have no constituency connection. The jiggery-pokery involved in the imposition of an arbitrary 5 per cent. threshold rather than the arithmetical threshold of about 3.8 per cent. of normal turnout will ensure that probably one representative on the list is not the authentic person who would have been elected under an arithmetical system, and is therefore not the representative in a wholly democratic sense.

As for the qualities desired in the mayor, he will need drive and vision, but, above all, he will need political attributes to be able to take advantage of the wide powers of consultation that the Bill vests in him. I think that we approve of the manner in which the Government have sought to widen the consultation and make it effective, but, if the mayor is to reconcile diverse and potentially conflicting interests involving boroughs, business, race and minorities, industry and the environment, he will need a sense of balance.

Mr. Fitzpatrick: Will the hon. Gentleman give way?

Mr. Wilkinson: No, because others wish to speak. Normally, I would give way.

My constituents are apprehensive about planning. The spatial development strategy of the mayoralty will, in essence, take precedence over the unitary development plans of the boroughs, and thus could militate against my constituents' concern to ensure a balance between

[Mr. Wilkinson]

developmental and residential needs, and recognition of the paramount importance of maintaining the environment and the quality of life in London.

In that context, people will look to the authority to bring about a genuine improvement in London's transport system. They are doubtful whether road user charges could ever work: they are aware that the British motorist already pays the highest taxes in Europe, and that these are just additional taxes. I consider it diabolical that employers should have to pay taxes for the people who come to work on their premises. As for promoting the Bill and taking it to its final stage without meeting the main objective that the Labour party set itself in London—the creation of a public-private partnership—that is a deficiency of the worst order, of which I am sure the electorate will prove highly critical in the elections next spring for the mayor and members of the assembly.

This will not be a truly democratic institution of the kind to which we are used, particularly because there is no mechanism to hold the mayor to account, and to get rid of him if necessary. We have reservations about the system of election and about the powers and undue influence of the Secretary of State. That said, we are determined that the assembly and the authority, in the person of the mayor who heads it, will be Conservative controlled next spring. That is our objective. We are determined to make the system work. Our constituents may have reservations now, but, with Conservative control, it could potentially do a very good job.

9.40 pm

Mr. McNulty: I say to the hon. Member for Ruislip-Northwood (Mr. Wilkinson) that Solihull was not the only non-London representation on the Committee. The Vale of Glamorgan was there, too, and that should be recognised.

It is not worth rising to the flatulent twaddle of the Liberal Democrats, save to say that the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) entirely forgot the one lasting and only significant impression that they made on the Bill. Hon. Members who were on the Committee may remember that, on one occasion, there was a "which" where the "h" had been left off. The Liberal Democrat train spotters noticed it and put the "h" back in. That—I mean it with all sincerity—is the only significant, substantive change that the Liberal Democrats made to the entire Bill.

Nothing in the reasoned amendment—we have to say "reasoned"; I do not know why—that has been tabled by the Conservative party would find any support among Labour Members. It is quite a disappointment, given that we spent so much time lovingly together upstairs in Committee Room 12.

The first point in the reasoned amendment is fine: we would anticipate that from Conservatives. They are against democracy, so they do not want a directly elected chamber of any significance in terms of the assembly. If they were honest, they would admit that they would rather have some blokes-in-suits way of securing the mayoralty, perhaps an hereditary principle or something like that. Nothing else that they suggest in the reasoned amendment is worth supporting. It should simply be dismissed out of hand.

The real reason why I wanted to speak was to say that there were three people in the Committee who did substantive work and should be congratulated by the entire House, not just by Labour Members. As a preface, I say that the Conservatives are to be congratulated on the way in which they dealt with matters of substance in Committee. They had their position. It was bonkers and entirely wrong on most occasions, but they put it in a reasoned and fair way. Their position was full of integrity, rather than the on-going teenage "Call My Bluff" which we had ad nauseam from the three Liberal Democrats, lovingly referred to as Moe, Larry and Curly, the Three Stooges.

The three who made significant contributions are, of course, the Front-Bench team. It is not invidious to point out that, although the Under-Secretary of State for the Home Department, my hon. Friend the Member for Vauxhall (Kate Hoey), and my hon. Friend the Minister for Transport in London played a significant role, the real architect of the piece is my hon. Friend the Minister for London and Construction. He is to be hugely congratulated on his work, which is why that is enough from me; I want to hear from him.

9.43 pm

Mr. Peter Brooke (Cities of London and Westminster): It is a pleasure to follow the hon. Member for Harrow, East (Mr. McNulty). He spoke on the Committee as much as any Labour Back Bencher. I join him in his praise for the Minister for London and Construction and his colleagues. It has been a long road. It has been a pleasure to follow that road in the steps of my hon. Friend the Member for Croydon, South (Mr. Ottaway).

I go back briefly to the governance of London debate in mid-June 1997. At that stage, the Government did not seem to be clear where they were going. I recall quoting a question to Alec Douglas-Home during the 1964 general election about VAT, to which he replied, "A lot of clever chaps are thinking about it at this moment."

After the debate, the Minister confirmed to me that a lot of clever chaps were beginning to flesh out what the Labour party thought about the governance of London in preparation for the Bill. I am not totally confident that the Government know even now where they are going.

We have come to Third Reading. Like the hon. Member for Harrow, East, I greatly enjoyed the Committee stage. I am sorry that I have not been present more often during Report. Much work has been done by those clever men, but, as with devolution on the eve of the first elections and as with the House of Lords Bill in the Committee stage—we have not even been allowed to debate the White Paper on the future of the House of Lords—ultimately, we do not have a clear idea that the Government know their direction. The best evidence for that is the gallimaufry and mishmash of new clauses and new schedules with which we have been festooned during the debate.

The Government have relied on the election and the referendum result, which they claim endorsed their proposals. As their political opponent, I am content that they should remain lulled into false security, although, as I re-entered the Chamber a little before 6 o'clock this evening, I felt the susurrus of flapping—not yet the flapping of London Labour Members concerned about their seats, but certainly the flapping of chickens coming home to roost.

To state the position in London terms, I sadly have a sense of the Third Reading of this Titanic of a Bill steaming steadily into the darkness; its engine room, which is the London underground, as invisible as the underground is to the average London pedestrian. The Minister for Transport in London has been temporarily lost overboard, but she is obliged to believe that all is well with the Government's plans for the London underground. As a traveller on the underground, I place more confidence in the permanent way than the third way. I fear that, as time passes, the number of Londoners who believe that all is well with the underground under Labour is beginning to recede. That is how support for a Government haemorrhages. I do not say that with pleasure, for I am a Londoner, but it increases the sense of drama and the feeling that the Government will first visibly retreat in the heart of our capital.

9.46 pm

Mr. Randall: Even if I had the skills of Liberal Democrat Members, unfortunately time does not allow me to indulge in the verbal incontinence that we have heard them demonstrate throughout the Committee proceedings on the Bill. Those hon. Members who were not present in Committee did at least witness a small example of that a few moments ago.

The people of Uxbridge were, at best, lukewarm when they voted in the referendum for London government without knowing the meat on the bones of that concept. Now that there is a little more meat, they will be disappointed to find out exactly what they voted for. However, it would be churlish of me not to say that the Bill contains some good proposals, although it is not the Conservative model, and I fear that it will not fulfil the aspirations that many Londoners have for it. My particular worry is that the outer London suburbs, such as the area that I represent, will pay for the inner boroughs and will end up being neglected by the mayor and assembly.

I accept that, although we shall shortly vote for the reasoned amendment in the name of my right hon. and hon. Friends, the mathematics will be against us once again. I am pleased at least to have taken part in this undoubtedly historic moment in London's history. I hope that my doubts will not be realised, because I take pride in this great city of ours. However, I fear that it will take a Conservative mayor and assembly to make sure that the Bill works for the people.

9.47 pm

Mr. Raynsford: The reasoned amendment serves only to highlight the confusion and muddle that characterise the Conservative party's approach to the governance of our capital.

Fifteen years ago, the Conservative party introduced legislation to abolish democratic and strategic government in London, without consultation, without a referendum and without so much as a by-your-leave. They left London for 13 years without a democratic, citywide authority. Two years ago, the Conservatives went into an election arguing that there was no need for any strategic authority for the capital. Following their comprehensive rejection by the people of London, they were forced to think again. Today, we see the result of that extended process of policy reappraisal.

While the rest of London looks forward to the potential and possibilities that the Greater London Authority will bring, the Conservative party has, at long last and after much consideration, got around to a grudging acceptance of the need for a representative body for London, although it still proposes to vote against the Third Reading of the Bill that will set up the new authority.

Of course, the people of London have not chosen to wait for the Conservative party's conclusions. While it has been deliberating, the Government have published a Green Paper and a White Paper and held a referendum in which our policy proposals were overwhelmingly endorsed by majorities in every one of the 32 London boroughs and the City of London. It is those proposals that the Bill will implement.

We intend that there should be a mayor and assembly for London: a mayor to offer strategic leadership across the capital and an assembly to ensure proper scrutiny and accountability. The mayor will be elected with a clear mandate from the people of London—which the supplementary vote may be more capable of delivering than first past the post. The assembly will not—as the hon. Member for Croydon, South (Mr. Ottaway) suggested—be a hung council. Conservative Members seem not yet to have recognised that the mayor and not the assembly will be the executive, and that the mayor will have a clear mandate.

The assembly will be elected by the proportional, additional member system, with a mixture of constituency and list members—reflecting the diverse views of London, and ensuring that the assembly is best placed to perform its role as a body charged not with executive responsibilities, but with questioning, scrutinising and investigating on behalf of the capital's electorate.

The electoral systems have been designed for effective government in London, were clearly stated in our White Paper and were overwhelmingly endorsed in the referendum. Conservative Members' refusal to accept those facts borders on the incredible.

I shall now deal with road user charging, which was also mentioned in the Opposition's reasoned amendment. In doing so, I should briefly provide some background to our proposals.

When Conservative Members left power, they left behind a city suffering from traffic congestion and air pollution—with all the costs to health and the economy that those entail, but without any framework or plan for dealing with them. The position was not sustainable. However—perhaps with the exception of Conservative Members—there has been broad endorsement of our approach, in our integrated transport strategy, to tackling those problems.

We developed our proposals on road user charging and workplace parking charging with the support of a wide range of organisations from the business community—such as London First—and from the wider community, including the Association of London Government. Contrary to the claims of Conservative Members, our proposed measures are not anti-car, but represent a balanced package aimed at reducing congestion and generating investment.

Moreover, the proposals are not—as Conservative Members suggested—being imposed by the Government. The mayor and the London boroughs will have the power to introduce such charges if they choose to do so. That is a proper democratic framework. We have also guaranteed that, for 10 years, every penny so raised will be devoted to investment in transport.

[Mr. Raynsford]

Again, therefore, the Opposition's reasoned amendment reflects nothing more than a lack of understanding of the challenges facing London, and the disengagement of the Conservative party from London's new political agenda—which has been symbolised by yet another spectacular U-turn, as Conservative Members try to forget the congestion charging proposals that they themselves made in a Green Paper only three years ago, when they were in power. Conservative Members have given up all principle and consistency and are opportunistically seizing any issue that they think might bring them a little cheap short-term popularity.

When the Government came to power, we inherited a clapped-out underground system, suffering from years of neglect and underinvestment and with no satisfactory arrangements for future investment. It is therefore astonishing to have to listen to carping criticisms from Conservative Members when they are faced with the new and creative approach that we have adopted to bringing much-needed investment back into the underground system. Their carping simply demonstrates the total bankruptcy of their views, their failure to recognise London's new mood, and the new way forward offered by the Government.

I criticise Conservative Members, but I also criticise Liberal Democrat Members. As my hon. Friend the Member for Poplar and Canning Town (Mr. Fitzpatrick) rightly stressed in his intervention, while the Government are engaged in restoring a vibrant new democratic structure of government for London, the Liberal Democrats are capable only of narrow-minded carping. We have heard a series of whinges from them—such as their belief that the mayor will be too powerful. They simply cannot stomach the idea of an effective mayor who will be able to deliver for the people of London.

The Liberal Democrats claimed that there was no provision for health, but they were wrong. The Bill contains clear provisions allowing the mayor to have full regard to the health of Londoners, and to promote initiatives to improve the health of Londoners.

For decades and generations, the Liberal Democrats have campaigned on electoral reform, but—would you believe it?—when we present them with a proportional electoral system for London, do they say, "Yes, we welcome it"? No, they carp, whinge and criticise. It is typical that they should fail to welcome the proposal.

The fact that the Liberal Democrats will abstain in the vote on Third Reading—sitting on their hands while we are creating a new structure of government for London—*[Interruption.]* The hon. Member for Southwark, North and Bermondsey (Mr. Hughes) said that he would not be supporting either the Conservatives' reasoned amendment or Third Reading, and that is abstention. It is a failure to sit on either side of the fence—which is typical of a party of protest, not of a serious party of government.

Mr. Simon Hughes: The record will show that the Minister is wrong. I said that we would vote against the reasoned amendment for the reasons that I set out in my speech.

Mr. Raynsford: The Liberal Democrats will be voting against the Conservatives' reasoned amendment, but they will not be supporting the Third Reading of the Bill. What a classic comment on their total disengagement from the process of government. They are irrelevant to the future of London.

In contrast with the lame and limp contributions of the Liberal Democrats, we have heard many telling contributions this evening. My hon. Friend the Member for Upminster (Mr. Darvill) rightly highlighted the historic nature of what we are doing. My hon. Friend the Member for Ilford, North (Ms Perham) rejoiced in the restoration of democratic electoral systems in London and a democratic citywide authority. The hon. Member for Ruislip-Northwood (Mr. Wilkinson) demonstrated once again his characteristically courteous approach by thanking us for the courtesy that we extended in Committee; I greatly appreciate that. He made some important points on behalf of his constituents. I thank my hon. Friend the Member for Harrow, East (Mr. McNulty) for his kind words. He added his characteristically vibrant approach to the debate and highlighted again the ineffectiveness of the Liberal Democrats.

The right hon. Member for Cities of London and Westminster (Mr. Brooke) entertained us with his characteristic humour and erudition throughout the Committee. I thank him for his contribution this evening, although I disagree with his conclusion about where we are going and the prospects for the new London government. He may be in for a surprise as the people of London welcome the creative new structure of government with an elected mayor, which the right hon. Member for Henley (Mr. Heseltine), sitting next to him, has advocated in the past. The new structure can offer new hope, new prospects and a better system of government to galvanise our city. I hope that, when it succeeds, the right hon. Gentleman will recognise that he was present and party to an historic reform of government in London.

In a characteristically kind way, the hon. Member for Uxbridge (Mr. Randall) recognised the good things in the Bill, although he criticised it. He also always saw the brighter things of life in Committee, including the odd bird flying past the window, which caught his attention as an avid bird watcher.

The Bill carries forward our manifesto promise to the people of London, confirmed a year ago this week in the referendum, to create a new authority, providing the right mix of leadership and accountability, with an elected mayor and a separately elected assembly. The Bill will ensure that Londoners once more have a democratic say on vital issues such as transport, the environment and economic development. It provides a framework for new investment in the underground system and for the first time will give the people of this city proper democratic oversight of the running of their police service.

The Bill will comprehensively reform the way in which our capital is governed. That inevitably requires complex and lengthy legislation. I am particularly grateful for the diligence and fortitude of all the hon. Members who have contributed to the detailed scrutiny of the Bill in Committee and on Report. I am grateful for the support and help of all my hon. Friends, but I also thank the Conservative and Liberal Democrat Members who have shown enormous diligence in following the Bill through its lengthy proceedings. The Standing Committee sat for more than 100 hours and considered a huge number of amendments—1,400 of them—addressing every aspect of the Bill. Contrary to some suggestions, the majority of the

amendments—around nine out of 10—were from the Opposition parties, who managed to table more amendments to this Bill than to any other in recent memory.

The hon. Member for Sutton and Cheam (Mr. Burstow) has assiduously tried to count the number of clauses. He overlooked the amendments that deleted redundant clauses. Our estimate is that there will be 330 clauses, not 338, but he was right about there being 27 schedules.

I am grateful for the Committee's diligent scrutiny. That, together with the timetabling of progress through all stages, including Report, has ensured that every aspect of the Bill has been tested and examined in the most rigorous detail, enabling the House to make its legislative intent very clear. I am sure that that will be noted when the Bill is examined in the other place.

The Bill will leave the House in good shape, with its underlying principles endorsed. It is a good and historic Bill. Future generations will look back on it as an important milestone in the development of democratic government in London. We are offering a new style of governance for London with a directly elected mayor as part of our programme to modernise local government systems. One year to this day—

It being Ten o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [30 April]:—*

The House divided: Ayes 105, Noes 265.

Division No. 167] **[10 pm**

AYES

Amess, David
Ancram, Rt Hon Michael
Arbuthnot, Rt Hon James
Atkinson, David *(Bour'mth E)*
Baldry, Tony
Beggs, Roy
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, Rt Hon Mrs Virginia
Brady, Graham
Brazier, Julian
Brooke, Rt Hon Peter
Browning, Mrs Angela
Bruce, Ian *(S Dorset)*
Burns, Simon
Butterfill, John
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clarke, Rt Hon Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cran, James
Curry, Rt Hon David
Davies, Quentin *(Grantham)*
Davis, Rt Hon David *(Haltemprice & Howden)*
Duncan, Alan
Duncan Smith, Iain
Emery, Rt Hon Sir Peter
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Forth, Rt Hon Eric
Fowler, Rt Hon Sir Norman
Fraser, Christopher
Garnier, Edward
Gibb, Nick
Gorman, Mrs Teresa
Gray, James
Green, Damian
Greenway, John
Grieve, Dominic
Gummer, Rt Hon John
Hague, Rt Hon William
Hamilton, Rt Hon Sir Archie
Hammond, Philip
Heald, Oliver
Heseltine, Rt Hon Michael
Horam, John
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, Rt Hon Michael
Jenkin, Bernard
Key, Robert
Laing, Mrs Eleanor
Lansley, Andrew
Leigh, Edward
Lidington, David
Lilley, Rt Hon Peter
Lloyd, Rt Hon Sir Peter *(Fareham)*
Loughton, Tim
Lyell, Rt Hon Sir Nicholas
MacGregor, Rt Hon John
McIntosh, Miss Anne
MacKay, Rt Hon Andrew
Maclean, Rt Hon David
McLoughlin, Patrick
Malins, Humfrey
Maude, Rt Hon Francis
Mawhinney, Rt Hon Sir Brian
May, Mrs Theresa
Nicholls, Patrick
Ottaway, Richard
Page, Richard
Paterson, Owen
Randall, John
Redwood, Rt Hon John
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion *(Broxbourne)*
Rowe, Andrew *(Faversham)*
Sayeed, Jonathan
Shephard, Rt Hon Mrs Gillian
Simpson, Keith *(Mid-Norfolk)*
Soames, Nicholas
Stanley, Rt Hon Sir John
Swayne, Desmond
Syms, Robert
Taylor, Ian *(Esher & Walton)*
Taylor, John M *(Solihull)*
Taylor, Sir Teddy
Townend, John
Trend, Michael
Viggers, Peter
Walter, Robert
Waterson, Nigel
Whitney, Sir Raymond
Whittingdale, John
Widdecombe, Rt Hon Miss Ann
Wilkinson, John
Wilshire, David
Winterton, Mrs Ann *(Congleton)*
Woodward, Shaun
Yeo, Tim
Young, Rt Hon Sir George

Tellers for the Ayes:
Mr. Stephen Day and
Sir David Madel.

NOES

Abbott, Ms Diane
Adams, Mrs Irene *(Paisley N)*
Ainsworth, Robert *(Cov'try NE)*
Allen, Graham
Anderson, Janet *(Rossendale)*
Armstrong, Rt Hon Ms Hilary
Ashton, Joe
Atkins, Charlotte
Austin, John
Barnes, Harry
Barron, Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, Rt Hon Mrs Margaret
Benn, Rt Hon Tony
Bennett, Andrew F
Bermingham, Gerald
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, Paul
Bradley, Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brake, Tom
Breed, Colin
Brown, Rt Hon Nick *(Newcastle E)*
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burstow, Paul
Butler, Mrs Christine
Byers, Rt Hon Stephen
Campbell, Ronnie *(Blyth V)*
Campbell-Savours, Dale
Caplin, Ivor
Casale, Roger
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Rt Hon Dr David *(S Shields)*
Clark, Dr Lynda *(Edinburgh Pentlands)*
Clarke, Charles *(Norwich S)*
Clarke, Rt Hon Tom *(Coatbridge)*
Clarke, Tony *(Northampton S)*
Clwyd, Ann
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Cousins, Jim
Cranston, Ross
Crausby, David
Cryer, Mrs Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Cov'try S)*
Dalyell, Tam
Darling, Rt Hon Alistair
Darvill, Keith
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, Rt Hon Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Davis, Terry *(B'ham Hodge H)*
Dawson, Hilton
Dean, Mrs Janet
Denham, John
Dismore, Andrew
Dobson, Rt Hon Frank
Donohoe, Brian H
Dowd, Jim
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff
Field, Rt Hon Frank
Fisher, Mark
Fitzpatrick, Jim
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Rt Hon Derek
Foster, Michael Jabez *(Hastings)*
Foulkes, George
Gapes, Mike
Gardiner, Barry
George, Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr Ian
Gilroy, Mrs Linda
Godsiff, Roger
Goggins, Paul
Golding, Mrs Llin
Gordon, Mrs Eileen
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grocott, Bruce
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Harman, Rt Hon Ms Harriet
Heal, Mrs Sylvia
Healey, John

Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, Ms Patricia
Hodge, Ms Margaret
Hoey, Kate
Hoon, Geoffrey
Hope, Phil
Howarth, George *(Knowsley N)*
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Hurst, Alan
Hutton, John
Iddon, Dr Brian
Illsley, Eric
Jackson, Ms Glenda *(Hampstead)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W & Hessle)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Ms Jenny *(Wolverh'ton SW)*
Jones, Dr Lynne *(Selly Oak)*
Kaufman, Rt Hon Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham & Heston)*
Keen, Ann *(Brentford & Isleworth)*
Kelly, Ms Ruth
Kemp, Fraser
Khabra, Piara S
Kilfoyle, Peter
King, Andy *(Rugby & Kenilworth)*
King, Ms Oona *(Bethnal Green)*
Kingham, Ms Tess
Kumar, Dr Ashok
Laxton, Bob
Levitt, Tom
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Linton, Martin
Livingstone, Ken
Lloyd, Tony *(Manchester C)*
Lock, David
Love, Andrew
McAvoy, Thomas
McCafferty, Ms Chris
McCartney, Rt Hon Ian *(Makerfield)*
McDonagh, Siobhain
McDonnell, John
McKenna, Mrs Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, Rt Hon Peter
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury)*
Marshall, David *(Shettles*
Meale, Alan
Merron, Gillian
Milburn, Rt Hon Alan
Miller, Andrew
Mitchell, Austin
Moffatt, Laura
Moran, Ms Margaret
Morley, Elliot
Mountford, Kali
Mullin, Chris
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Palmer, Dr Nick
Pearson, Ian
Perham, Ms Linda
Pickthall, Colin
Pike, Peter L
Plaskitt, James
Pollard, Kerry
Pond, Chris
Pope, Greg
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prosser, Gwyn
Purchase, Ken
Quin, Rt Hon Ms Joyce
Rammell, Bill
Rapson, Syd
Raynsford, Nick
Robertson, Rt Hon George *(Hamilton S)*
Robinson, Geoffrey *(Cov'try NW)*
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Rowlands, Ted
Roy, Frank
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(Chester)*
Ryan, Ms Joan
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheldon, Rt Hon Robert
Singh, Marsha
Skinner, Dennis
Smith, Rt Hon Andrew *(Oxford E)*
Smith, Miss Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Snape, Peter
Soley, Clive
Southworth, Ms Helen
Spellar, John
Squire, Ms Rachel
Starkey, Dr Phyllis
Stewart, Ian *(Eccles)*
Stoate, Dr Howard
Strang, Rt Hon Dr Gavin
Straw, Rt Hon Jack
Stringer, Graham
Sutcliffe, Gerry
Taylor, Rt Hon Mrs Ann *(Dewsbury)*
Taylor, Matthew *(Truro)*
Temple-Morris, Peter
Thomas, Gareth R *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark
Tonge, Dr Jenny
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vis, Dr Rudi
Walley, Ms Joan
Ward, Ms Claire
Wareing, Robert N
Watts, David
White, Brian
Whitehead, Dr Alan
Wicks, Malcolm
Wills, Michael
Winnick, David
Wise, Audrey
Wood, Mike
Wray, James
Wright, Anthony D *(Gt Yarmouth)*
Wright, Dr Tony *(Cannock)*

Tellers for the Noes:
Jane Kennedy and
Mr. Keith Hill.

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on Second or Third Reading), and agreed to.

Bill accordingly read the Third time, and passed.

SELECT COMMITTEE ON PUBLIC ADMINISTRATION

Ordered,

That Mr. Mike Hancock be discharged from the Select Committee on Public Administration and Mr. Mark Oaten be added to the Committee.—*[Mr. Allen.]*

Medical School (North Staffordshire)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Allen.]*

10.15 pm

Ms Joan Walley (Stoke-on-Trent, North): I am most grateful for this opportunity to make the case in the House for an undergraduate medical school at Keele university, which will be for the benefit of people in north Staffordshire and further afield. The proposal is supported by many hon. Members, some of whom are here this evening.

We want Keele university to be able to offer places to 50 undergraduate medical students by 2000. Those places will be based in north Staffordshire, and placements will be provided in areas as far afield as Shropshire, the rest of Staffordshire, Burton and Crewe. It is essential to this bid that there is a joint proposal, involving the universities of Keele and of Manchester. This is a collaborative venture.

During Prime Minister's questions today, we heard a lot about doctors' hours and the working time directive. However, the bottom line for us is that we do not have enough doctors, because the previous Government did not give them to us. Therefore, we recognise that we must recruit and train more medical staff in north Staffordshire, where the shortage is already apparent. It is worth noting that the health needs of our area are widely acknowledged to be more pressing than those of the rest of the west midlands and, indeed, of the country as a whole.

I pay tribute to the vision of my right hon. Friend the Secretary of State for Health, who has put forward proposals in response to the medical work force standing advisory committee, which has stated that an extra 1,000 medical students should be recruited every year by the year 2005. I am happy to say that my right hon. Friend will visit north Staffordshire next week, so there will be an opportunity to discuss our proposals with him at first hand. However, his vision has been equalled by that of my right hon. Friend the Chancellor of the Exchequer who, through the comprehensive spending review, has provided the additional money for the extra recruitment.

Mrs. Llin Golding (Newcastle-under-Lyme): Does my hon. Friend agree that one of the strengths of the Keele bid for the additional places is that work on it has been going on for many years? There has been striking co-operation with the health authorities in Manchester and Shropshire over a long period. Everything is now in place to make it possible to expand the number of available places beyond 50. Is not that one of the main reasons behind the strength of this proposal?

Ms Walley: I am very happy to agree with my hon. Friend, who has campaigned longer than most for this medical school. In a moment, I shall explain how we have been trying to establish a medical school at Keele university since 1965.

The vision that we share is not only for undergraduate places that at present do not exist in north Staffordshire. Our vision is for the expansion of facilities dedicated to medical education. For the first time since 1965, as a result of the comprehensive spending review, we have a real opportunity to establish a medical school in the area. That has been the dream of many people—including the medical director at the North Staffordshire hospital trust, Keith Prowse—since the 1960s.

If we look out from Westminster across the river, we can see Guys and St. Thomas's medical school. We want exactly the same facility for Shropshire, Staffordshire and Cheshire. We want a postgraduate school. As my hon. Friend the Member for Newcastle-under-Lyme (Mrs. Golding) said, the bid is led by Keele university, and it has widespread support, not least from the North Staffordshire hospital NHS trust and other trusts in the area. It is supported by local Members of Parliament. There is also support, and proven expertise, from Manchester and Liverpool universities.

The bid also has the support of chief executives from Burton hospitals NHS trust, East Cheshire NHS trust, Mid Cheshire hospitals NHS trust, Mid Staffordshire general hospitals NHS trust, the Princess Royal hospital NHS trust, the Robert Jones and Agnes Hunt orthopaedic and district hospital NHS trust, the Royal Shrewsbury hospitals NHS trust, and a range of local medical committees and primary care groups.

That wide geographical support is backed by a new spirit of partnership that is growing as a result of the area's recently created and innovative health action zone. Excellent working partnerships across the area involve schools and health partnerships. We want to build on all that. Although we are in the west midlands region, the teaching hospital for which we are bidding would look towards Manchester. We have discussed that point with colleagues in the region and see no problem arising.

No one disputes the difficulties of local recruitment of medical staff. We want to create an opportunity out of the shortage. We want permanent training places. We want 50 in the first instance, and we want to build on that figure. We want local youngsters to aim high and to take up a medical career. We also want to build a local centre of excellence to which students may come from elsewhere. They will come from outside the area to train with us and, having trained, they will stay on to practise in areas that are experiencing some of the greatest difficulties in recruiting medical staff—doctors, consultants and others.

There is a culture of learning in our area. Earlier today, my hon. Friend the Member for Stoke-on-Trent, Central (Mr. Fisher) and I attended a presentation of the beacon awards at which Stoke-on-Trent college was presented with a certificate of excellence. There is a culture of aiming high so that we may address the traditional imbalance of underachievement.

The spin-offs of a graduate medical centre would be enormous. There would be extra research money and benefits to patients—our constituents. It would almost certainly bring extra employment over a wide area, and it would bring extra ancillary staff. It would give us an opportunity to build a centre of excellence to deal with the particular medical problems that we face. I hope that I have argued convincingly for the excellence of the bid, which will shortly be considered by my hon. Friend the Minister of State, Department of Health.

Let me turn now to the extent of ill health in the area. On key indicators, north Staffordshire performs consistently worse than the west midlands region and the United Kingdom as a whole. This is the right time to redress the imbalance, and to train and recruit personnel in an area in which they are badly needed.

[Ms Walley]

The figures speak for themselves. Keith Prowse, the medical director of North Staffordshire hospital NHS trust, has highlighted the seriousness of our recruitment problem. In north Staffordshire alone, there are 10 full-time general practitioner vacancies. Four further practices have hard-to-fill vacancies that have not even been advertised. Local GP training schemes have had five more vacant slots in 10 practices since last August. On behalf of all my hon. Friends present in the Chamber tonight, I ask the Minister to look favourably on our proposal for a world-class teaching hospital, based at Keele university and serving the wider region that we represent.

10.25 pm

Charlotte Atkins (Staffordshire, Moorlands): I am grateful to my hon. Friend the Member for Stoke-on-Trent, North (Ms Walley) for allowing me to participate in this important debate.

Among the Government's top priorities are improving health outcomes and addressing health inequalities. The Labour Government were the first to appoint a Minister for Public Health to set out proposals to improve the health of the population as a whole, especially the worse-off. North Staffordshire wants to follow that example. As my hon. Friend says, we have significantly worse health outcomes than either the west midlands or the whole of England and Wales. On the positive side, that means that we can achieve far greater health improvements than other parts of the country, so we are faced not only with a tremendous opportunity, but with a tremendous challenge.

It is in part owing to my hon. Friend's persistence that we have achieved a health action zone, which affords us exciting opportunities. It will help to break down the cycle of unhealthy life styles, poor health outcomes and low health aspirations that has bedevilled north Staffordshire for too long. It creates exciting possibilities: healthy living centres, schemes to promote community safety and tackle teenage pregnancy and drug abuse, and opportunities to create partnerships across education, the voluntary sector, the business community, social services and local people. However, we in north Staffordshire lack the inspiration, the learning culture and the modern expertise that comes from having a local medical school.

Located between Birmingham and Manchester, north Staffordshire fails to attract and retain the high-quality health care professionals we need. It is a well-established fact that the majority of medical students will ultimately practise in the locality in which they have trained; therefore, despite the delights of the Staffordshire peak district, our area has become denuded of local GPs and hospital doctors. Today, I spoke to a local GP in Leek, Dr. Shiers, who told me of the vulnerability of market towns such as Leek. Four to five years ago, when general practice was not a popular option for newly qualified doctors, there were only two or three applicants for local vacant posts.

That does nothing to raise standards of primary health care or to encourage greater collaboration between primary and secondary care. A university medical school at Keele would create positive ripples throughout the whole service, not only in hospitals. Medical students need to experience general practice early in their training if we are to create the proper balance between primary and secondary care—an objective to which I know the Government are committed. The influx of students would have a positive impact on general practice by stimulating new ideas, boosting in-service training and encouraging better communication between local doctors.

What I find especially attractive about the Keele proposal is that it is based on partnership—building on the expertise of Manchester university while exploiting the underuse by students of north Staffordshire hospitals and community placements. It would benefit from the assured quality of the established and well-tested Manchester curriculum, and make better and more rational use of national health service training facilities. The proposal offers a cost-effective way of training more doctors and meeting the needs of an area that is crying out for greater investment in improving health care.

10.29 pm

Mrs. Llin Golding (Newcastle-under-Lyme) *rose—*

Mr. Deputy Speaker (Mr. Michael Lord): Does the hon. Lady have the permission of the hon. Member for Stoke-on-Trent, North (Ms Walley) and that of the Minister? I see that she does.

Mrs. Golding: I wish briefly to sum up, Mr. Deputy Speaker. Essentially, the case for a new medical school at Keele rests on the following factors: the existence of a substantial natural catchment population for major trauma, tertiary and specialist services of about 1.7 million people; the presence of well-developed primary and community services; the substantial range of health and health-related teaching and research activity already existing within the area; the commitment and support of the relevant health authorities and trusts; links with other medical schools, which are extremely strong; and Keele's traditions and strengths, which make it a particularly suitable home for a 21st century medical school.

10.30 pm

The Minister of State, Department of Health (Mr. John Denham): I congratulate my hon. Friend the Member for Stoke-on-Trent, North (Ms Walley) on obtaining the debate and on providing the opportunity to discuss the provision of additional medical student places in the United Kingdom. I acknowledge the interest of my hon. Friends the Members for Staffordshire, Moorlands (Charlotte Atkins) and for Newcastle-under-Lyme (Mrs. Golding) and thank them for their contributions to the debate. Other hon. Members have been in their places this evening to show, I am sure, support for the bid that has been made by my hon. Friend the Member for Stoke-on-Trent, North.

I hope that my hon. Friends will understand that, at this stage in the bidding process, I cannot debate the merits of any individual sites for the expansion of medical education. I know that my right hon. Friend the Secretary of State for Health is looking forward to his visit to the area concerned.

It might be helpful if I set out the background to the plan to increase medical school intake. As my hon. Friend the Member for Stoke-on-Trent, North said, the planned

increase was originally a recommendation in the third report of the Medical Workforce Standing Advisory Committee. It reflected its detailed consideration of the overall long-term need for doctors in this country, taking into account the projected demand for health services, the projected numerical losses from the profession as a result of retirement and other factors. The House will note that the committee's remit was with the overall numbers of doctors needed. It was not concerned with the specialties that the new doctors might join after completing their undergraduate training.

The Government are proud that, following the comprehensive spending review, my right hon. Friend the Secretary of State for Health was, last July, able to tell the House that the intake of students to medical schools in the United Kingdom will increase by about 1,000 places per annum—by 20 per cent.—to about 6,000. This will be the biggest increase in medical education in this country in a generation. Our intention is to ensure that the national health service will have the doctors that it needs in the first part of the new century.

Statutory responsibility for the allocation of the additional student places to individual universities rests with the appropriate funding council. In England, a joint implementation group, led by the chief executive of the Higher Education Funding Council for England and the permanent secretary of my Department, is working together to allocate places and to make recommendations to the HEFCE.

Some 158 extra places have already been allocated to existing medical schools in England for the autumn 1999 intake, and work is now well advanced to allocate more than 800 further places to English universities.

We should be clear why the issue of medical education is so very important. The White Paper "The new NHS" introduced a new concept of clinical governance, which embraces a range of quality assurance processes, such as clinical audit, and acknowledges the importance of continuing professional development and lifelong learning to the delivery of quality patient care in the NHS. The expectations placed upon tomorrow's doctors will be demanding, and their preparation to meet them will begin as soon as they enter medical school.

In increasing medical student places, we want to set an agenda to drive up the standards of medical education as a whole so as to deliver real long-term benefits to the NHS, following curriculums consistent with the General Medical Council's report entitled "Tomorrow's Doctors", and working towards the principles set out in "The new NHS". That is why we have asked the joint implementation group to observe specific objectives in judging proposals from universities for the allocation of the further places in England. Those objectives reflect the Government's agenda both for the NHS and for a healthier nation.

The joint implementation group's objectives are, first, to develop new doctors who are equipped to meet the challenge of the changing health and health care needs of patients and populations into the first half of the 21st century. In short, the new doctors must have the right medical and technological skills, and must be adept at dealing with the changing health needs of a new century.

The second objective is to develop new doctors who are able to practise to a very high standard, through being able to appraise and use evidence, to become lifelong learners, to maintain professional standards and be effective team members and leaders. In the new century, as now, the public will want to know that the doctors whom they consult will be of the best, and that the service that they deliver will be characterised by excellence.

The pace at which new treatments and clinical techniques are developed means that a doctor's education and professional development cannot end with the completion of specialist or vocational training. This pace of change can only accelerate in the decades ahead. Whatever specialty doctors follow in their careers, they have a duty to maintain and continue to develop their clinical practice throughout their careers. They will continue to learn, so that they remain skilled in, and will apply, the latest knowledge in their work. The country will also rightly expect them to work to the highest professional standards, and to work together within the profession and across professional boundaries.

The third objective of the joint implementation group is to develop new doctors who are committed to, and skilled in, promoting health, preventing ill health, diagnosing and treating injury and disease, and caring for people with long-term illness and disability. More than ever before, the practice of medicine is about the promotion of health and the prevention of illness and injury, as well as the treatment of injury and disease, and long-term care. That is essential to our strategy for a healthier nation.

The fourth objective is to develop new doctors who understand the value of partnership and communication with their patients, their colleagues, and members of other professional groups. The best doctors have always worked with their patients and colleagues to ensure the very best outcomes for patients, but the skills to work together in partnership with patients and their families must be a part of the medical curriculum from the beginning.

The group's fifth objective is to provide a high-quality educational environment in which evaluation and research are fostered and which gives value for money. Medicine is not taught by rote. A high-quality research environment in a university is a major driver to the development of inquiring and innovative doctors who will learn by approaching medical problems.

The national need for trained doctors who are able to apply rapidly expanding knowledge in the biological and social sciences will remain paramount. To give just one key example, advances in human genetics will bring a revolution to health care in the next century, and the Government recognise the need to strengthen medical education in genetics at all stages of the continuum of training to ensure that tests are used and interpreted appropriately and efficiently. In so rapidly changing a field, a strong research base will be needed to underpin the development of students and their teachers alike.

As the group considers bids, it seeks to demonstrate an active commitment to the admission of students from a broad range of social and ethnic backgrounds, to reflect the patterns of populations served by the NHS. In increasing the supply of doctors, the joint implementation group wants to ensure that unnecessary and often hidden barriers to a broader mix of gifted medical students are avoided.

There are already examples of outreach, where universities and others have worked with local schools, often in areas where there has been little tradition of

[Mr. John Denham]

higher education. They have encouraged young people who might never have considered a medical career to work from an early stage of their secondary school careers towards entry to medical school. Such approaches are not simply a matter of promoting equal opportunities, critical though that is. They also help to ensure that new doctors understand, and can best work with, the communities that they serve.

Finally, the group will ensure that the distribution and patterns of training of students effectively increase the home supply of doctors, and meet the needs of the populations served by the NHS, wherever the doctors may be trained and work. It will seek to enhance quality and value for money through collaboration between universities and partnership with the NHS, consistent with the principle of different groups working together.

Using those objectives as a benchmark, the joint implementation group will be well placed to judge which universities can best and most cost effectively deliver to this agenda.

All universities were invited in the new year to submit proposals for the allocation of places. I am delighted that about 20 proposals were submitted to the joint implementation group. These include a number of proposals for collaborations between new and existing medical schools, such as the planned co-operation between the university of Manchester and the university of Keele, to set up medical education facilities on new sites drawing on the curriculums, resources and expertise of the established medical schools. The joint implementation group is now considering all the proposals, and an announcement can be expected reasonably soon.

It would be quite wrong for me to debate the merits of any of the proposals in this place when they are still being considered. It is clear that the different proposals will be judged on their different qualities. Not least among those will be the likely impact on local health services of establishing new sites for medical education or of increasing the size of existing sites.

Equally, the joint implementation group will consider the quality of the medical education on offer, and that will include the capacity of the local health services to provide a broad range of suitable clinical placements in primary and secondary care settings which are easily accessible from the university. Also, and fundamentally, the group must judge how the allocation of medical school places will affect the overriding reason for the increase—the development of the right number of appropriately skilled doctors to deliver medical care in the first part of the new century, in the most cost-effective way, for the country as a whole.

My hon. Friends may be assured that Keele university's proposal to set up a joint medical school with Manchester university, which I understand that they see as a possible first step towards the establishment of a free-standing medical school, will be considered in detail alongside those of other universities and in accordance with the objectives that I have described.

Hon. Members may be assured of the Government's wish to ensure that the long-term supply of doctors best meets the needs of the country as a whole, wherever the places are situated, and that the underlying principles followed will ensure a quality, cost-effective education—not only for the students filling the additional places now being created, but for all medical students at all universities, consistent with the curricular requirements of "Tomorrow's Doctors" and the broader vision set out in the White Paper "The new NHS".

Question put and agreed to.

Adjourned accordingly at eighteen minutes to Eleven o'clock.

House of Commons

Thursday 6 May 1999

The House met at half-past Eleven o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Milk Marque

1. **Mr. David Heath** (Somerton and Frome): When he will publish the recommendations of the Monopolies and Mergers Commission in respect of Milk Marque; and if he will make a statement. [82356]

The Secretary of State for Trade and Industry (Mr. Stephen Byers): The report from the Monopolies and Mergers Commission on the supply of raw cows' milk in Great Britain has now been received. I expect to publish it before the House rises for the summer recess.

Mr. Heath: I am grateful to the Secretary of State for that answer, but the delay and uncertainty caused by his inability to publish the report are having the gravest consequences for the dairy industry. Somerset dairy farmers in my constituency have already suffered enough this year. Will the right hon. Gentleman deny the rumour now sweeping the industry and give an absolute assurance that the report has not been delayed for political convenience connected with the Welsh elections, and that it will not be delayed until the summer recess? We need an answer now.

Mr. Byers: The report was not received until the beginning of March. It is receiving detailed consideration and will be published before the summer recess. The timing is not for political reasons, but to ensure that full and proper consideration is given to the recommendations.

Mr. John Bercow (Buckingham): I am afraid that the Secretary of State's response to the hon. Member for Somerton and Frome (Mr. Heath) was not good enough. Given that dairy farmers are suffering their worst crisis for 60 years, with average incomes having fallen by more than 60 per cent. in the past two years alone, and as the Government's botched common agricultural policy negotiations in Brussels mean that Britain's milk producers cannot expect to receive any increase in quota until 2006, does the right hon. Gentleman not understand the keen interest and anxiety with which the MMC's verdict on Milk Marque is awaited by dairy farmers in my constituency? He has had the MMC report for more than two months—70 days, to be exact. When will he stop dithering and announce a decision?

Mr. Byers: There is no dithering. The report is being considered and we shall publish it as soon as it is practical to do so. That will be before the summer recess.

Millennium Compliance

3. **Mr. David Atkinson** (Bournemouth, East): If he will make a statement on progress with the millennium readiness of computer systems in the private sector. [82359]

The Minister for Small Firms, Trade and Industry (Mr. Michael Wills): On 4 March, Action 2000 published its fourth report on its state of the nation survey of millennium preparedness among United Kingdom businesses, which showed a continual improvement in terms of the readiness of their systems to cope with the end of century date change.

Mr. Atkinson: Does the Minister agree that, without total disclosure of their millennium compliance by all computer-dependent businesses, no one can say that the British economy will be safe after the end of this year? As the Government missed—indeed, objected to—the two opportunities that I offered them through my private Member's Bills to provide for such disclosure, can the Minister assure the House that British business will be millennium ready?

Mr. Wills: We are well aware of the keen interest that the hon. Gentleman has taken in the problem and we are grateful to him for it; he shows a commendable public spirit. However, we do not think that legislation such as he has suggested is necessary. We must be careful not to create bureaucratic requirements for companies to check things unnecessarily. Companies are subject to many pressures, of which the century date change is one, on their limited resources.

However, may I offer the hon. Gentleman some reassurance about the state of preparedness, especially in connection with the crucial infrastructure of this country? As he will be aware, the national infrastructure forum gave us the latest information from Action 2000 on 21 April, and it showed a considerable degree of readiness. He will be familiar with the colour coding of blue, amber and red. Blue indicates no identifiable risk of material disruption, and, if I may, briefly, with your indulgence, Madam Speaker, refer to the fact that in the—

Madam Speaker: Order. Perhaps that could be the subject of an Adjournment debate.

Mr. Wills: I am sorry, Madam Speaker.

I assure the hon. Gentleman that there is a high degree of readiness, and I am confident that there is no significant risk of disruption.

Exporters

4. **Sir Sydney Chapman** (Chipping Barnet): What assessment he has made of the prospects for exporters in the present financial year. [82360]

The Secretary of State for Trade and Industry (Mr. Stephen Byers): The Treasury and independent forecasters expect the volume of exports of goods and services to grow both this year and next.

Sir Sydney Chapman: As unemployment is expected to rise over the next two years, and, contrary to what the Secretary of State has just said, the Confederation of British Industry forecasts that economic growth will be sharply down this year, does the right hon. Gentleman agree with the *Financial Times* editorial yesterday, which advocated a weaker currency? What representations is he making to his right hon. Friend the Chancellor to reduce interest rates—although, of course, the Chancellor no longer has the power to do that? Does the Secretary of State not bitterly regret that fact?

Mr. Byers: The Government made it clear that we would not play short-term party politics with interest rates. We have given independence to the Monetary Policy Committee of the Bank of England, and we will support decisions taken by the Bank on interest rates. It is largely because of that independence that we now have the lowest long-term interest rates for 40 years, which is good news for exporters and for the economy in general.

Mr. Geraint Davies (Croydon, Central): Does my right hon. Friend agree that today's historic change in Britain's constitution will herald a new era for exporters in which each region can consolidate in partnership to export and compete in the global marketplace? The new regional development agencies and the Welsh Development Agency can help in that. Does he also agree, first, that the political fallout will precipitate a change in the Opposition leadership, which will become more Euro-friendly and therefore build confidence in our key export markets; and, secondly, that today is a great day for British exports?

Mr. Byers: I do not intend to attack the Conservative Opposition, because they are very good at doing that for themselves. It will be an historic day, with the votes being cast in Wales and Scotland. I have no doubt that when people cast their votes they will reflect on the success of this Government, with some 400,000 new jobs having been created since we took office. Some 3,000 new jobs were announced in Scotland during the election campaign and 6,500 jobs have been created in south Wales, with the Baglan bay energy project. For the two years this Government have been in office, a job has been created every two minutes. We are proud of that and we are confident that, when people cast their votes today, they will acknowledge the Government's success.

Dr. Vincent Cable (Twickenham): Does the Minister accept the estimate of the influential National Institute of Economic and Social Research this week that the pound is currently 15 to 16 per cent. overvalued in terms of the underlying competitiveness of the British economy? If he does not agree, will he explain why?

Mr. Byers: What I do know is that, if hon. Members consider sterling in terms of its appreciation against other currencies, they will see that its current position bears no comparison with the dramatic increase that we saw before the 1997 general election. Two thirds of the drop in exports last year was not in exports to those countries where our currency has appreciated in value but because of the decline in the south-east Asian markets. That is where the problem arose.

Mr. Jeffrey Donaldson (Lagan Valley): The Secretary of State will be aware that one of the important components in the competitiveness of British industry in exporting goods is the cost of transporting those goods. In Northern Ireland, we are heavily reliant on the road haulage industry for the export of goods from our part of the United Kingdom. Is he aware that £100 will purchase 129 litres of diesel in Northern Ireland, but 227 litres in the Irish Republic; and that the additional burden placed on road hauliers by the Chancellor of the Exchequer through increases in excise duties is making it much more difficult to export goods from Northern Ireland, compared with our competitors in the Irish Republic? Will the Secretary of State make representations to the Chancellor on behalf of the road haulage industry to see whether that burden can be eased in any way?

Mr. Byers: There are many companies in Northern Ireland that are doing well in exports and I was pleased to present the Northern Ireland exporter of the year awards last year. I hear the concerns expressed by the hon. Gentleman. He will be aware that my colleague the Minister of Transport has set up a group with the industry to consider the problems it faces, and I hope that the group will produce some recommendations that will address the very real difficulties that the hon. Gentleman has mentioned.

Mr. Christopher Chope (Christchurch): Why does the Secretary of State show such dismissive contempt for a significant group of British exporters who are the innocent victims of United States trade sanctions? I have asked questions that the Secretary of State has not answered, and firms that are badly affected have written to him and received no response. He was quick to provide £40 million in compensation for the cashmere industry, so why will he not supply some help for a firm such as Beamglow in Cambridgeshire, which employs 100 people and recently invested £2.5 million in new machinery to supply the United States export market? That market has been completely cut off to that firm as a result of the sanctions, and the Government are not doing anything about it.

Mr. Byers: That was all totally wrong. There is no dismissive contempt. The Government offered support to the cashmere industry in Scotland—and in England as well—because the time at which the levy was raised by the United States customs and excise coincided with the period in which cashmere exports were going to the United States. It is a seasonal industry, and the period covering late March and April was one of particular difficulty.

As we discussed in the House last week, the real solution is to resolve the trade disputes. The Government are committed to achieving that long-term solution to the problems. The solution to the problems that companies such as Beamglow face lies in the Government using our

best efforts to ensure that the trade disputes with the United States are resolved and that free trade and commerce are able to flourish. The message has to be clear—that protectionism anywhere is a threat to prosperity everywhere. That is what we believe, and that is why we shall support measures to ensure open commerce and free trade.

Libya (Trade Relations)

6. **Mr. Tam Dalyell** (Linlithgow): If he will make a statement on trade relations with Libya. [82362]

The Secretary of State for Trade and Industry (Mr. Stephen Byers): I am currently considering what Government services can be restored, following the suspension of the United Nations and European Union sanctions.

Mr. Dalyell: Albeit after 15 Adjournment debates on Lockerbie, I myself shall not go back to Libya until proceedings at Zeist are over. However, my right hon. Friend's reply is constructive and pleases me greatly, so I dare to suggest that he might consider himself leading a delegation to Libya. Given that Hadrian's wall is in my right hon. Friend's constituency, the descendants of the great artists of the Roman empire would be delighted to show him Leptis Magna and Cyrene, and he might be tempted to go.

Be that as it may, will my right hon. Friend say whether a problem remains with the case of WPC Yvonne Fletcher? Two years ago, I went to see Assistant Commissioner David Veness in Scotland Yard. Evidence from George Styles, the British Army's senior ballistics officer, Huw Thomas, the former consultant surgeon at the Royal Victoria hospital in Belfast, and Home Office pathologist Bernard Knight suggests that there is grave doubt about how that tragedy happened.

In view of that doubt, surely the tragedy should not form the basis for future relations with Libya. If my right hon. Friend were to visit Libya, would he reflect on whether it would be possible for him to make an apology for the permission given in 1986 for bombers based at Fairford to launch an attack on the working-class areas of Benghazi and Tripoli? That attack was as ill-conceived as the bombing attack on Al Shifa and the Sudan now turns out to have been.

Mr. Byers: Our response to the end of sanctions will be positive, but satisfactory progress must be made in a number of areas and especially in resolving the outstanding issues in the murder of WPC Yvonne Fletcher. Until that matter is resolved satisfactorily, it will not be possible to resume full diplomatic relations.

However, the lifting of sanctions means that we can examine in a far more positive light the steps that we might be able to take with regard to considering matters of trade with Libya.

Renewable Energy

7. **Mr. Gareth R. Thomas** (Harrow, West): If he will make a statement on the Government's progress in encouraging power generation from renewable sources. [82364]

The Minister for Energy and Industry (Mr. John Battle): The Government are working towards a target of renewable energy providing 10 per cent. of UK electricity supplies as soon as possible. We hope to achieve that by 2010.

On 30 March, the Government published a consultation paper entitled "New and Renewable Energy—Prospects for the 21st Century", reaffirming the commitment to developing renewable sources of energy and seeking views on future support measures.

Mr. Thomas: I congratulate my hon. Friend on the excellent consultation document that he published before Easter. Can he assure me that the pool review will properly reflect the needs of renewable generators? What action does he intend to take to promote the prospects of solar and wave energy?

Mr. Battle: My hon. Friend may know that we recently produced proposals to draw the potential of wave energy into renewable energy sources. In February, I announced three new photovoltaic initiatives, worth £15 million—£5 million from the Department of Trade and Industry—to consider the potential of solar. Wave and solar are being brought in from the cold.

The reform of the wholesale market—the pool—is vital. If we had left it as it was, it would have squeezed out potential for renewable energy companies. Our remit to the regulator and the team considering reform in the wholesale market is to ensure space for the renewable energy companies which I believe will begin to displace traditional fossil fuels as we move into a new century.

Mr. Richard Page (South-West Hertfordshire): I welcome the Government's commitment to renewable energy, which I vehemently support. However, has there not been a problem with the non-fossil fuel obligation rounds? No matter how large they are, and no matter how many awards are made, the number of schemes that achieve completion and production remain a problem. When they are considered in future, would the Government bear in mind the achievability of bids? What is being done in that regard? Are the Government approaching local authorities, for example, to find out whether planning permissions are likely? There is no point in taking the lowest possible bid if it will never work.

Mr. Battle: The hon. Gentleman championed NFFO when he was in government, and it is accepted in Europe and more internationally that it was a good scheme which has been successful. The hon. Gentleman is right to raise problems with implementation and planning permissions, however. We have discussed that matter in my Department, and with the Department of the Environment, Transport and the Regions. We cannot impose schemes from the centre on local communities or override local planning constraints. Projects must win support.

Planning is not the only problem, as companies are sometimes over-ambitious in their bids. We are encouraged, however, by the number of bids and their range. Bids have come in not only for wind schemes, but for landfill gas—the landfill tax is encouraging the use of methane gas. Energy from waste is also becoming increasingly popular. A range of sources will exist and

projects will continue successfully under NFFO. We are urgently addressing the planning matter raised by the hon. Gentleman.

Mr. Tony Colman (Putney): May I add my congratulations to my hon. Friend on his excellent consultation paper on renewable energy? It is a real step forward as regards sustainable development in the United Kingdom. Is he aware of the "100,000 rooftops" solar energy programme initiated by the German Federal Ministry for Economics and Technology and supported by 10-year, interest-free loans from the European Bank for Reconstruction and Development? Will my hon. Friend consider that idea for the UK, and will he consider in particular the rooftops of the houses of Putney?

Mr. Battle: I must enter one caveat. I know of the German scheme, and it is ambitious. However, one problem with PV in Britain is the structure of our houses. It may not be well known that around half the homes in Britain are more than 100 years old. We tend to do up and renovate our homes rather than build new ones. It is easier to fit PV solar in new homes than in refurbished homes. There are also price problems, as the cost of PV may be between £14,000 and £20,000. Achieving a payback on investment is difficult.

To tackle that problem, our recently announced £15 million PV initiative will examine technologies in order to reduce costs. PV will be tested on 100 homes, and we are moving towards introducing PV in a price-competitive marketplace, rather than taking the German route of direct subsidy. We also have SCOLAR schemes intended to help 100 schools to use PV so that youngsters—new scientists and technicians—learn about the technology, develop it and bring it to fruition in the new century.

Mr. Tim Boswell (Daventry): We welcome both the Minister's acknowledgement of the success of the previous Government's NFFO policy and the testing and challenging objectives of the Minister's Green Paper on renewables. However, can he confirm that he has set himself an interim target of achieving 5 per cent. of energy generated by renewables by 2003? He mentioned that the pool review was an important future consideration, but does he acknowledge that, however much we do on renewable energy, it is important to ensure that generation in the short term is as environmentally friendly as possible? Will he therefore give consideration to the earliest possible elimination of the moratorium which is holding back the development of more environmentally friendly generation in this country?

Mr. Battle: In case the hon. Gentleman is under any illusion, we are trying to encourage non-fossil fuel sources under renewable energy. The strict consent policy is in position until we can reform the pool. As I said, unless we tackle that and get a new reference price for renewable energy companies, the new energy companies will be squeezed out altogether by the forces of the pool. In September, we announced a record 261 renewable energy projects for 1,177 MW contracted. If the projects in NFFO 1, 2, 3, 4 and 5 go ahead, we will achieve that target of 5 per cent. without difficulty.

The targets are challenging, but when we include other measures—such as in response to the suggestion that disposing of waste in landfill tips is not the best answer, and that the more tips we cap and seal, the more methane gas is generated; and that, rather than flaring it off, it is better to use that gas to generate local combined heat and power—we will find that some of that renewable energy source of supply will enable us to achieve the 10 per cent. target.

Technology and Research Clusters

8. **Mr. Brian White** (Milton Keynes, North–East): What assessment he has made of the economic impact of *(a)* clusters and *(b)* networks of high–technology, research–oriented small and medium-sized enterprises. [82365]

The Minister for Small Firms, Trade and Industry (Mr. Michael Wills): Firms often perform better when they come together in networks and clusters. The Government are working in partnership with all types of business to encourage collaboration, innovation, and the sharing of best practice.

Mr. White: I thank my hon. Friend for that reply. Many high-tech firms would not exist if they were not allowed to develop in clusters. Does he agree that the planning policy guidance issued by the Government needs to be amended to encourage clustering? Does he accept that, in other countries where clustering has been successful, it has happened because a partnership between the Government and private industry has provided the infrastructure? And does he accept that that is what is needed in this country?

Mr. Wills: I thank my hon. Friend for that. I recognise the great authority with which he speaks, gained particularly from his long experience of the IT industry. We are reviewing how the planning system can best promote the needs of clusters and the review is due to report in August.

Of course we recognise the importance of partnerships between the public and private sectors. We are doing a great deal to promote them across the board. We recognise the importance of building the right infrastructure, particularly the right electronic infrastructure. We in this Government are building the electronic future in a number of ways. I will publish shortly an important consultation document about making spectrum available for broad band wireless networks which, as my hon. Friend will recognise, will be a crucial part of that electronic infrastructure.

Mr. Colin Breed (South–East Cornwall): Is the Minister aware of the deep concern in the knowledge-based industries at the potentially damaging effect of IR35—a rather hastily introduced and badly designed anti-tax avoidance measure? Will he undertake to speak to the Treasury on behalf of the industry?

Mr. Wills: The proposed new rules to which the hon. Gentleman refers are designed to remove the scope for the avoidance of tax. Rather than criticise the measure, I would have hoped that he would welcome anything that enables those who are due to pay tax to pay it.

The rules will not target the IT sector in particular. The vast majority of businesses do not avoid tax and national insurance, and will not be affected by the new rules. I am

slightly baffled by the intensity of the hon. Gentleman's concern. The Inland Revenue is working with representative bodies on the details of the new rules.

I hope that it will offer the hon. Gentleman some comfort if I say briefly that the information from the Inland Revenue to all those concerned deals with three matters: the new rules will not prevent individuals from setting up service companies; they will not prevent agency working; and they will not prevent workers and clients from arranging engagements through service companies, agencies or similar intermediaries.

Manufacturing Industry (Investment)

9. **Mr. John Cryer** (Hornchurch): What plans he has to promote an increase in the level of investment in manufacturing industry. [82366]

The Minister for Energy and Industry (Mr. John Battle): One of the main factors holding back investment was the UK's record of macro-economic instability. Our Government have now put economic management on to a more stable footing and the recent competitiveness White Paper and the Budget introduced measures to encourage investment, especially in manufacturing.

Mr. Cryer: I thank my hon. Friend for that answer; he is correct. However, does he agree that the multilateral agreement on investment constituted a menace to British manufacturing and to investment in manufacturing, given the unstable nature of the world's financial markets and the number of multinational cowboys roving the planet?

Does the Minister agree that the proposals dreamt up by the European Commission in December, which basically amount to MAI mark 2, serve no purpose other than to act as an attack on living standards and on investment in manufacturing—not only in this country, but in other countries in the European Union? Does he agree that we should tell the EC to stick its proposals and to get on with what it knows best—maintaining the biggest gravy train in western Europe?

Mr. Battle: Like my hon. Friend, I am not into gravy trains. However, I understand that the MAI was dropped; our Government regarded it as flawed. As my right hon. Friend the Secretary of State has pointed out, it is fair to say that, in general, we are in favour of open markets, but we are determined to blend and hold together economic efficiency and social justice—nationally and internationally. We shall campaign and fight for that not only here, but in international forums.

Mr. John Wilkinson (Ruislip–Northwood): If Her Majesty's Government's policies for manufacturing are so admirable, why have those who earn their livelihood from manufacturing been suffering so much? There is a squeeze on profit margins and, above all, a squeeze on employment. Is the Minister aware that the Trades Union Congress expects that no fewer than 250,000 jobs in manufacturing industry will be lost during this year and that the Confederation of British Industry records that, in recent months, the rate of job losses in manufacturing under this Government has been the fastest for six years?

Mr. Battle: As someone who comes from a city built on manufacturing throughout the 20th century, I saw that manufacturing base in my city sink from 52 to 22 per cent. of the economy under the previous Administration. There were 1.5 million jobs lost during the recession of the 1980s; under the Conservative Government, a million jobs were lost during the recession of the 1990s. Under the Labour Government, there are 400,000 new jobs; we have set about salvaging manufacturing from the wreckage of the previous Government's savage economic policies.

Mr. David Chidgey (Eastleigh): Notwithstanding the comments that the Minister has just made, is he aware that the number of firms going into receivership has increased by one quarter during the first three months of this year, and that one third of them are manufacturing firms? It is indeed correct that jobs in manufacturing are now being lost faster rate than at any time during the past six years. Given the continuing high interest rates in this country and the continuing high value of sterling, does he accept that hundreds of firms are being driven out of business, and that that will not stop until the Government make a firm commitment on a programme for the UK to enter the euro?

Mr. Battle: In response to that general ragbag of proposals, I point out to the hon. Gentleman that our economy is not immune to international forces. I absolutely accept the pressure on manufacturing that now exists; I realise that—it is evident. However, we are putting in place the fundamentals to ensure that manufacturing has a chance in the future. All the measures that we have implemented—whether on corporation tax, or those introduced as a result of the competitiveness White Paper—will bolster and support manufacturing, when other people prematurely wrote it off. The hon. Gentleman should check his facts; he will find that long-term interest rates are currently the lowest for 30 years.

Mr. John Redwood (Wokingham): With regard to modern industry, the Minister is living in a dream world. We all know that forecasters are saying that investment by many companies will fall or be slashed, and that jobs are being lost day by day.

Will the Minister explain what he and his colleagues are up to in relation to regional assistance? Is he planning big cuts in the map? Why has he delayed making the necessary announcement? Have Ministers met recently to decide to delay the timetable of publication of the new map not only until after today's elections, but until after the European elections?

Do not manufacturers need to know whether they will be eligible for grant support, at a time when investment is under so much pressure because of the bungled economic policies of this Government? Do not voters need to know today and on 10 June what the Government's plans are for the worst-affected industrial areas?

Mr. Battle: It is vital to get regional selective assistance right, but more than half the European countries have not yet submitted their plans. It is important to get it right; we shall get it right; and we shall publish the report in due course, at the appropriate time. I am tempted to point out that the right hon. Gentleman would have

been first to jump up and accuse us of using the report for political ends had we published it during the election campaign. We are doing exactly the opposite.

On the subject of jobs, I repeat what my right hon. Friend the Secretary of State said: 3,000 new jobs have been created in Scotland and 6,500 in south Wales; more than 400,000 new jobs have been created under this Government; and a job has been created every two minutes for the past two years—that is different from what happened under the previous Government. We are working on that agenda and clawing back an economy that was sinking under the previous Administration.

On a personal note, in the privacy of the Chamber, may I ask the right hon. Gentleman whether he is really on the shortlist for the Institute of Directors job? Given the Tory prospects today, I think that we should be told.

Steel Industry

10. **Mr. Denis MacShane** (Rotherham): What assessment he has made of the effect of the current value of sterling on the UK steel industry. [82367]

The Minister for Energy and Industry (Mr. John Battle): Our Government have had frequent discussions with the steel industry, both management and trade unions, on the export difficulties arising from the current value of sterling. Notwithstanding current problems, the UK steel industry achieved exports of nearly £3.2 billion in 1998 while addressing underlying long-term competitiveness issues. That is a significant achievement in the circumstances.

Mr. MacShane: I am grateful to my hon. Friend for recording that success story, but the steel industry has suffered from two huge problems: first, the high rate of sterling inherited from the previous Government and, secondly, the fanatical anti-manufacturing culture of the Tory years. However, is he aware of some little rays of sunshine on the horizon? First, in its estimate for the end of the year, Goldman Sachs predicts the pound coming down significantly against the euro, which is good news for steel, although my hon. Friend should spend his wage-frozen salary on holidays abroad now, rather than wait for a weaker pound in nine months' time. Secondly, in Asia, prices are being posted higher and order books are picking up.

Will my hon. Friend consider three specific issues? First, will he ask the Chancellor of the Exchequer to put somebody from manufacturing on the Monetary Policy Committee? Secondly, will he look harder and faster at excessive electricity prices? There is no doubt that we need harmonisation with Europe on that matter, because we need lower electricity prices. Thirdly, will he agree to meet representatives of the industry to discuss those problems in the near future?

Mr. Battle: My hon. Friend champions the steel industry at every opportunity and he should be applauded for doing so. The message from the Government is loud and clear: we positively support manufacturing and we shall do what we can to ensure that there is an economic climate of support for manufacturing. To achieve lower electricity prices and to ensure that heavy industrial users of energy are not unfairly priced out is precisely the purpose of the reform of the energy pool electricity trading arrangements. That is why we are working on that project, and I am glad to report that the work is going well. I shall be happy to meet John Bryant, the new chief executive officer of British Steel—indeed, I hope to meet him soon—and I shall continue to hold frequent discussions with the steel industry.

Milk Marque

11. **Mr. Nicholas Winterton** (Macclesfield): When he intends to publish the Monopolies and Mergers Commission report on the selling of milk in the United Kingdom. [82368]

The Secretary of State for Trade and Industry (Mr. Stephen Byers): As I said earlier in reply to the hon. Member for Somerton and Frome (Mr. Heath), I expect to publish the Monopolies and Mergers Commission report before the House rises for the summer recess.

Mr. Winterton: Does the Secretary of State accept that dairy farmers in England, especially those in Cheshire and my constituency of Macclesfield, face grave uncertainty about the Government's intentions and plans for the future of Milk Marque? Does he agree that, because they deal with a perishable commodity, it is essential that dairy farmers have the right collection and distribution organisation to enable them to get that perishable commodity to the market?

It is quite wrong that Milk Marque should be held to ransom by the big boys in the dairy trade. That is not good for our countryside. In the face of what I would describe as the tragic fall in milk prices, strict quotas and the threat of increased milk imports, will the right hon. Gentleman seek to respond before July to the report by the Monopolies and Mergers Commission? The industry is in crisis and we should do something to help an essential and vital element of the countryside.

Mr. Byers: I understand fully the concerns raised by the hon. Gentleman. He may be interested to know that some 200 right hon. and hon. Members have made representations on this issue, and they will need to be considered when we examine the recommendations in the Monopolies and Mergers Commission's report. We will do that. I am conscious of the uncertainty, which is certainly not helpful to the industry, and I will do all that I can to publish the report as soon as possible. I give an assurance today that that will occur before the House rises for the summer recess. However, as I said in my evidence to the Trade and Industry Select Committee, we will need to take account of the many representations received before we publish our response. We must recognise and consider that information properly if we are to discharge our legal responsibilities. I assure the hon. Gentleman that we will publish as soon as we can practically do so.

Internet (Military Equipment Sales)

13. **Mr. Nigel Beard** (Bexleyheath and Crayford): What plans he has for regulating the advertisement of military weapons and manuals on the internet. [82370]

The Minister of State, Department of Trade and Industry (Mr. Ian McCartney): Before I answer my hon. Friend's question, may I take a few moments to thank you, Madam Speaker, and right hon. and hon. Members on both sides of the House for the many cards, letters, e-mails and faxes that I received wishing me well during my recent illness? I assure hon. Members that the rumour that I am the first DTI Minister to be bitten by the millennium bug and survive is completely untrue. I hope that they will see from my responses today that I am back in full working order.

In the United Kingdom, the law applies equally on-line and off-line, which means that goods or services can be advertised or sold on the internet in the same way as on traditional media, provided that they comply with UK law in that area. The majority of British defence manufacturers advertise their equipment and services in the "British Defence Equipment Catalogue", which is widely available. It is an offence under the Official Secrets Act 1911 to publish classified material without authorisation, regardless of the medium of publication. In addition, the Government's White Paper on strategic export controls, Cm 3989, contains a proposal to make it an offence to publish controlled technology relevant to the development of weapons of mass destruction.

Mr. Beard: I thank the Minister for that reply. Has he seen the pages on the internet that advertise, for example, lock-picking tools that are described as "deluxe" and "the standard choice of the industry"—it does not say what industry that might be. Even more sinister are the pipe-bomb-making instructions, which carry the thoughtful caution, "Pipe bombs are killing devices", and the helpful advice, "For more bombs, click here". The intellectual market is also catered for with the "Improvised Munitions Handbook" and the "Anarchist Handbook", which provide advice on making small arms, mortars and incendiary devices and the explosives that go with them. Does the Minister agree that the greatest danger lies not in importing the American gun culture to this country, but in allowing a few criminal and crazed individuals to access such material and know-how, which leads to tragic consequences, which we witnessed recently in Brixton, Brick lane and Soho?

Mr. McCartney: I thank my hon. Friend for his question and comments. There is no one in the House who is not filled with horror, revulsion and continuing concern about recent events, some of which we can make no further comment on because they are now part of the court process—I want to say nothing that would interfere with that. We are concerned also about the incident that took place in my hon. Friend's constituency.

We are taking action and will continue to do so. We need international co-operation on enforcement in different jurisdictions. Businesses and consumers need tools to protect themselves, such as the ability to filter material for harmful content and the ability to ensure that children and young people are not able to skim the net and get information that they can use inappropriately. The users and sellers of internet and hardware products could assist in that process. Service providers should and must uphold the law on-line. However, we shall keep the options open, while remaining mindful of the potential need for future regulation. I shall report to my right hon. Friend the Home Secretary the comments made today about issues that hon. Members would like the Government to review.

It makes sense to have laws controlling the misuse of information. For example, it is an offence to make or possess explosives under suspicious circumstances, and that is appropriate. Internationally, we need to do much more and to try to co-operate on what is a difficult matter, given the different jurisdictions.

National Minimum Wage

14. **Mr. Ben Chapman** (Wirral, South): What assessment he has made of the effect on the UK economy of the implementation of the national minimum wage and the working time directive. [82371]

The Minister of State, Department of Trade and Industry (Mr. Ian McCartney): The national minimum wage will ensure fair competition on the basis of quality of goods and services provided and not low pay. It will help to promote work incentives, encourage firms to invest in training and improve the morale and commitment of workers, bringing about reduced levels of staff turnover and absenteeism. Productivity will improve and employers, workers and the economy as a whole will benefit.

Our assessment of the costs and benefits resulting from the implementation of the working time directive are contained in the regulatory impact assessment relating to the directive, a copy of which is held in the Library of the House.

Adjusted data from official statistics, which will be available in October, will give some idea of the extent of the shift in workers' earnings resulting from those new legal protections.

Mr. Chapman: I welcome my right hon. Friend back to the Dispatch Box. It is good to see him in such fine fettle. Does he agree that, although the minimum wage has been operating for only a short time, its competitiveness has been well established during that time? Does he agree also that, taken alongside the working time directive, trade union recognition and other measures taken by the Government, the minimum wage has vastly improved not only the lot of the British worker, but the economy?

Will my right hon. Friend compare and contrast that with the policy of the Conservative party, which not only opposed those measures but, in government, viewed the way forward as a low-wage, low-cost, low-productivity, sweatshop economy? Does he agree that the national minimum wage and the working time directive are not over-regulation, but better regulation—better for the economy and better for the workers?

Mr. McCartney: My hon. Friend is absolutely right on several counts. Nine out of 10 companies in the United Kingdom support the concept and principle of the minimum wage because of the business case for it. Four out of 10 companies complied in advance of 1 April. In all the inquiries so far, only 50 companies that have had complaints made about them have refused to implement the minimum wage and, in those instances, our inquiry

teams are following procedures to ensure that the workers in those companies get justice and receive the minimum wage.

My hon. Friend is absolutely right to say that the only people in Britain who still oppose the minimum wage are the party of Scrooges on the Conservative Benches and the handful of isolated employers who refuse to implement the minimum wage. Since 1 April, 2 million workers in Britain have received the minimum wage, including more than 180,000 in Scotland and 100,000 in Wales. It has been a tremendous success and the Conservatives are the only people who are still avoiding the question. At the next election, will they say that they will cut the minimum wage?

Mr. John Redwood (Wokingham): On behalf of the Opposition, I welcome back the Minister. We are all delighted that he has made a good recovery and we have missed his own special brand of invective in our recent exchanges.

The Minister believes that the minimum wage must be seen to be fair and bear a fair relationship to what others can earn. Mr. Gavyn Davies, and his loadsamoney, has obviously made it much more difficult for the Minister to set out the case. As one of the leaders of the anti-fat cats campaign when the Conservatives were in government, will the Minister take action to detach Mr. Davies from some of his loadsamoney, or has the Minister come round to our view that it is quite wrong to interfere in money that people come by legally in a private marketplace? If he has changed his view and agrees with us, where does that leave him in presenting Labour's brand of different policy and fairness?

Mr. McCartney: The right hon. Gentleman has got it wrong again. We introduced the fat-cat tax—the windfall tax—which he opposed. That tax got 250,000 young people and long-term unemployed people back to work. We have halved youth unemployment and long-term unemployment. It was he and his party who were the supporters of fat cats, and this Government who introduced social justice. He still has not answered the question of why his party is committed at the next election to opposing the continuation of the minimum wage, when that would impose a wage cut on 2 million British workers.

Mr. Redwood: Will the Minister just answer? Does he approve of Mr. Davies's remuneration or will he do something about Labour fat cats?

Mr. McCartney: Fortunately for Mr. Davies, he does not qualify for the national minimum wage—but 2 million British workers do. The right hon. Gentleman still opposes that minimum wage. He is the Scrooge, not this Labour Government.

Science Parks

15. **Dr. Nick Palmer** (Broxtowe): If he will review ways to stimulate the creation of new companies in science parks around universities with the participation of university staff. [82373]

The Minister for Energy and Industry (Mr. John Battle): The Government are aware of the important role that incubators and science parks can play in nurturing new companies, and have supported the setting up of UK Business Incubation as a centre to promote best practice among those nurturing young companies.

Dr. Palmer: I am grateful for the Minister's comments. I understand that Cambridge university attributes the flowering of science companies partly to the university's policy of allowing staff to use research from the university to start companies. I know that not all universities follow that practice. Given the importance of the generation of new technology companies, does the Minister think that Government recommendations on how universities might best promote such activity would be suitable, bearing in mind universities' independence?

Mr. Battle: As well as making recommendations, we are developing policies on moving the excellent research and engineering base into the productive economy. There are some 50 science parks across the country, including Cambridge, Aston, Teesside and Warwick. We want a synapse between universities, commerce and business so that new products and processes are created, resulting in new jobs. There are two relevant policies. Some £60 million seed capital funding from the university challenge fund is matched by money from universities to enable them to turn research into good business. The £25 million behind the science enterprise challenge will encourage eight centres to develop entrepreneurship alongside the excellent science developed at universities.

Mr. John Randall (Uxbridge): I am sure that the Minister recognises the achievements of Brunel science park at Brunel university in my constituency. I am sure that he also recognises that, when companies that have been nurtured in science parks outgrow the parks, they find it difficult to locate on suitable sites nearby and very often must relocate, causing local job losses. Can his Department suggest any measures that might alleviate that problem?

Mr. Battle: I welcome the hon. Gentleman's question. Indeed, I have visited Brunel. In answering, I shall simply recall an anecdote. A person in my constituency who developed a valve wanted to set up a business and asked for assistance. From working in a bedsit, he was offered 20,000 sq ft of flatted factory floor 20 miles away. People need small and appropriate assistance. We must combine assistance to universities with support through business links. That one-stop shop will support fledgling businesses, so that they are enhanced and thrive and develop to provide new jobs.

Energy Prices

16. **Ms Joan Ryan** (Enfield, North): What assessment he has made of the effect of current energy prices on the least affluent sections of society. [82376]

The Minister for Energy and Industry (Mr. John Battle): Tackling fuel poverty is a key priority of the Government. Although energy markets are being opened up, we are keen to ensure that the highest price is not paid

by the poorest. With the new tariff structures, we are taking measures to ensure that the fuel-poor are not priced out.

Ms Ryan: I thank my hon. Friend for his answer. While I fully accept our environmental obligations, I urge my hon. Friend and the Government to ensure that, in meeting those commitments, we do not hit hardest those least able to pay. Will my hon. Friend confirm that Labour's proposals are about a revenue-neutral energy tax levied on polluting businesses and are not, as was the case with the previous Government, about increasing VAT on domestic fuel and deliberately hitting hardest those on the lowest incomes?

Mr. Battle: I agree with my hon. Friend. The lowering of prices should be coupled with the reduction of VAT to 5 per cent. We said that we would do that and many people have benefited from it. It is fair to say that there has been a reduction of some 10 per cent. in the price of gas and electricity, but it has not been spread evenly among all consumers. Those on direct debits benefit more. We have told the regulator to look at a social action plan to examine tariff structures to ensure that the poorest do not pay the most. The market will work when all benefit, not just the better-off.

On the environmental question, it is important to ensure that we blend the reduction in prices with proper energy efficiency, including in people's homes, so that the energy that they buy does not go out through the gaps between the doors and windows. We are taking appropriate measures to insulate homes and make them energy efficient. We are doing that under other schemes, supported by the Department of the Environment, Transport and the Regions.

Parental and Family Leave

17. **Ms Harriet Harman** (Camberwell and Peckham): If he will make a statement on parental and family leave. [82377]

The Minister of State, Department of Trade and Industry (Mr. Ian McCartney): We are committed to bringing about a more family-friendly culture in the workplace and the Government will be launching a promotional campaign to help achieve that. The Employment Relations Bill provides for rights to parental leave and time off to deal with domestic incidents. We will be consulting on the detail in the next couple of months, and will take account of the views that we receive before finalising the arrangements.

Ms Harman: I thank my right hon. Friend for his comments. Is he aware of the evidence from the United States Family Leave Commission which shows that low-income workers who need time off when their children are sick either do not take that leave because they cannot afford it or, take it, borrow money and get into debt? Will my right hon. Friend join me in urging our right hon. Friend the Chancellor to see whether there is some way that we can use the working families tax credit and extend it when people lose their pay on parental leave to ensure that low-income families do not lose out when taking advantage of those important new rights?

Mr. McCartney: The most important thing is to bed down the new culture as soon as possible, getting involvement and agreement from employers and employer organisations about the best way forward. The directive gives us that opportunity. For example, more than 2 million employees will benefit from taking time off for domestic incidents, 85,000 women will benefit each year from the maternity changes and over 61,500 employees will benefit from the parental leave changes. The Government are building up a process of involving industry in best practice, underpinned by a regulatory framework to ensure that no worker is given the sack or has any other action taken against him by his employer him when seeking to take advantage of the new rights. The Government believe that the balance is right, and so do employers. In the consultations, nine out of 10 employers supported what we are doing, and there was overwhelming support from trade unions.

Ethnic Minority Entrepreneurs

18. **Mr. Tony McNulty** (Harrow, East): What plans he has to increase the number of entrepreneurs from ethnic minorities. [82378]

The Minister for Small Firms, Trade and Industry (Mr. Michael Wills): Ethnic minority business make an important contribution to the economy and the Government recognise that. The Department of Trade and Industry is working to reduce the barriers faced by people from all sections of the community in starting and growing successful businesses. The Department has recently joined Business in the Community's race for opportunity campaign, and one of our aims in joining this campaign will be to target support for ethnic minority-owned businesses more effectively. I also expect the Small Business Service to take account of the special needs of minority-owned businesses.

Mr. McNulty: I thank my hon. Friend for that answer. Will he join me in congratulating the dynamic contribution made, particularly by Asian entrepreneurs, to British business in general and to my constituency in particular? Will he ensure that policies such as those that he outlined will continue to facilitate the growth of entrepreneurs from ethnic minorities? Asian entrepreneurs in my constituency were severely clobbered by the woeful economic mismanagement of the Tories and will never again support their lunatic, wide-eyed policies.

Mr. Wills: I recognise the force of the last point, particularly, and am happy to join my hon. Friend in congratulating the success of entrepreneurs in his own constituency. I look forward to meeting them when I visit Harrow this summer. I am happy to give him the assurances that he seeks.

Euro[illegible] Structural Funds

19. **Mr. John Greenway** (Ryedale): What account he proposes to take of the needs of upland and coastal areas in North Yorkshire in allocating objective 2 status for EU funding. [82379]

The Minister for Small Firms, Trade and Industry (Mr. Michael Wills): The Government are consulting interested parties on the designation of eligible UK areas under objective 2. All areas will be considered equally for inclusion, on the basis of need.

Mr. Greenway: I thank the Minister for that reply—and you, Madam Speaker, for the opportunity to ask the question. Does the Minister agree that low per head GDP, low population density and low average earnings, and heavy reliance on seasonal part-time and casual employment—especially in the livestock, farming, fishing, tourism, and food processing industries—should be the essential criteria in deciding the rural strand of EU funding under objective 2? Although I realise that the Minister will not be able to give me an answer today, does he accept that, on those criteria, a formidable case can be made for retaining North Yorkshire's upland and coastal areas within the ambit of EU objective 2 funding, and that, without that funding, the economies of Ryedale and Scarborough will seriously struggle?

Mr. Wills: I assure the hon. Gentleman that his views, with all other views, will be taken carefully into consideration in the consultation period, which ends on 25 May.

Business of the House

12.31 pm

Sir George Young (North–West Hampshire): Will the Leader of the House tell us the business for next week?

The President of the Council and Leader of the House of Commons (Mrs. Margaret Beckett): The business for next week will be as follows:

MONDAY 10 MAY—Second Reading of the Northern Ireland (Location of Victims' Remains) Bill.

TUESDAY 11 MAY—Opposition Day [11th Allotted Day].

Until about 7 o'clock, there will be a debate entitled "Labour's Pensions Failure", followed by a debate on implications of Scottish and Welsh devolution for the Westminster Parliament. Both debates will arise on Opposition motions.

WEDNESDAY 12 MAY—Until 2 o'clock, there will be debates on the motion for the Adjournment of the House.

Consideration in Committee and remaining stages of the Northern Ireland (Location of Victims' Remains) Bill.

THURSDAY 13 MAY—Opposition Day [12th Allotted Day].

Until about 4 o'clock, there will be a debate on effective parliamentary democracy, followed by a debate entitled "American Food Imperialism and European Trade Policy". Both motions will arise in the name of the Liberal Democrats.

FRIDAY 14 MAY—Private Members' Bills.

The provisional business for the following week will be as follows:

MONDAY 17 MAY—Remaining stages of the Welfare Reform and Pensions Bill.

TUESDAY 18 MAY—There will be a debate on the European Union on a motion for the Adjournment of the House. It will be the pre-Cologne Council debate.

WEDNESDAY 19 MAY—Until 12.30 pm, there will be a debate on the third report from the Health Committee on the welfare of former British child migrants, followed by a debate on the fifth report from the Environment, Transport and Regional Affairs Committee on regional Eurostar services, followed by debates on the motion for the Adjournment of the House.

Opposition Day [13th Allotted Day].

There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 20 MAY—There will be a debate on the White Paper on reforming the House of Lords on a motion for the Adjournment of the House.

FRIDAY 21 MAY—Private Members' Bills.

The House will also wish to know that on Wednesday 19 May there will be a debate on assistance to new independent states and Mongolia in European Standing Committee B. Details of the relevant documents will be given in the *Official Report*.

[*Wednesday 19 May:*

European Standing Committee B—Relevant European Union document: 5263/99, Assistance to NIS and Mongolia; Relevant European Scrutiny Committee Reports: HC 34-xi, HC 34-xiii (1998-99).]

Sir George Young: The House is grateful for next week's business, and for an indication of business for the following week.

I welcome the response to my regular requests for a debate on the House of Lords, and have pencilled in the one for the week after next. I also welcome the proposed debate on Europe, which will give the House an opportunity to debate the problems facing the Commission.

On Kosovo, there has been much political and military activity since a statement was last made to the House, on 26 April. Last week, the Leader of the House responded sympathetically to my suggestion that there should be regular opportunities for the House to ask questions and be kept informed. May we have a statement early next week, possibly on Monday, after the talks among members of the G8, and may we have another full day's debate on Kosovo before the Whitsun recess?

What arrangements does the right hon. Lady propose for debates on public expenditure and the economy? Since the abolition of the unified Budget two years ago, the House has not been told how it will perform its key role of holding the Government to account on matters relating to finance. May we have an early announcement on that?

In view of recent speculation, will the right hon. Lady tell the House whether we might expect a statement soon on the much-delayed freedom of information Bill? Finally, what has happened to the leak inquiry into the Macpherson report? The leak happened two and a half months ago, and there are a limited number of suspects. Might we have a statement on the outcome of the inquiry next week?

Mrs. Beckett: First, I am grateful to the right hon. Gentleman for acknowledging that we have found time for a debate on the White Paper on reform of the House of Lords. He is right to say that the pre-Cologne Council debate will allow hon. Members an opportunity to raise a number of matters, including the affairs of the European Commission.

We are giving full consideration to how we can fulfil our responsibility to keep the House informed about Kosovo—a responsibility that we have faithfully carried out so far. I expect that the right hon. Gentleman knows that discussions are taking place on that. I take on board his request for a statement, perhaps early next week, and for another full-day debate before Whitsun. We shall give that request favourable consideration.

I sympathise with the right hon. Gentleman's request for an early announcement on arrangements for public expenditure and economic debates. We are pursuing that, and I shall report to the House as soon as I can. I also hope to be able to report soon on the freedom of information Bill.

I confess that I have not been following the timing of the Macpherson report leak inquiry.

Mr. Eric Forth (Bromley and Chislehurst): You should be.

Mrs. Beckett: I remind the right hon. Gentleman that it is not an inquiry into anything that the Government have done; it is an inquiry into what went wrong in the Macpherson commission. The commission has readily acknowledged that the Government were not at fault. We shall give the House information when we can.

Mr. Neil Gerrard (Walthamstow): Has my right hon. Friend seen the written answer that I received from my right hon. Friend the Secretary of State for Defence yesterday? He said:

[Mr. Neil Gerrard]

"I have had no discussions on the use of depleted uranium with my NATO counterparts. The United Kingdom has not used DU ammunition in the Balkans. It is a matter for the individual nations as to what ammunition they employ."—[*Official Report*, 5 May 1999; Vol. 330, c. *383*.]

Does my right hon. Friend the Leader of the House accept that a cynic outside the House might well interpret that answer as meaning that such ammunition has been employed? Will she ask my right hon. Friend the Secretary of State for Defence to make a statement to the House to explain why, in a war conducted by NATO in which we are led to believe that senior politicians such as him are regularly involved in discussing strategy, we cannot be told whether NATO nations are employing such weapons?

Mrs. Beckett: I am afraid that I have not seen the answer to which my hon. Friend refers. I understand the concern that he has expressed. Like him, I have seen several press reports, all of which have seemed highly speculative—"It is possible"; "It might be"; and, "If so would it not be the case?" It is hypothesis piled on hypothesis. He is undoubtedly right to say that some people will assume that something is being hidden. However, those reports may well be no more than speculation. As I have already said, we intend to keep the House informed. That may give my hon. Friend an opportunity to raise the issue.

Mr. Edward Davey (Kingston and Surbiton): I thank the Leader of the House for her statement, particularly for notice of the timely debate on the European Union. Will she find time for a debate on incorporating first-aid training into the national curriculum? The case is well set out in early-day motion 596, which has attracted support from hon. Members on both sides of the House.

[*That this House regrets that thousands of lives have been needlessly lost because the public has not been given lifesaving and first aid training; welcomes the work of the St John Ambulance, who celebrate their 900th Anniversary this year, and other charities in providing such training in school; acknowledges the millions of pounds of savings available to the NHS if more people were empowered to take lifesaving action; and calls upon the Government to incorporate first aid training into the National Curriculum.*]

Does the right hon. Lady agree that such a debate would enable the House to acknowledge the work done by the St. John Ambulance and other uniformed organisations in first-aid training and would help us to empower more of our citizens to give life-saving support as we saw many Londoners so bravely do after the appalling recent bombings in the capital?

Mrs. Beckett: First, I thank the hon. Gentleman for acknowledging the importance of debates on the European Union. Secondly, we all share his admiration for the work of the St. John Ambulance. I entirely take his point that the aid and assistance that people in London were able to give those who were injured by the recent bombs were improved by training. The Government are examining ways to introduce such training in schools, and members of the St. John Ambulance are about to offer such training to Members of Parliament—a truly courageous act. The hon. Gentleman's suggestion that it should be included in the national curriculum takes the matter further, but the Government are considering how to improve such training.

Mr. Tony Colman (Putney): On behalf of the whole House, may I thank you, Madam Speaker, for the excellent address you gave us yesterday morning in a very moving ceremony in the Queen's Gallery to celebrate the tremendous achievements of the Council of Europe on its 50th anniversary? Will my right hon. Friend the Leader of the House consider a further debate to celebrate the achievements of the Council of Europe? I realise that debates on Europe repeatedly expose divisions in the Conservative party on the subject, but, despite that, I feel that the House should have a full debate on those tremendous achievements in the very near future.

Mrs. Beckett: I am grateful to my hon. Friend, particularly for his acknowledgement of the importance and value of Madam Speaker's address. Having heard her speak on a number of occasions, I know that she always does the House credit—although whether we always do her credit is quite another matter. As for a further debate on the Council of Europe, although I am attracted by my hon. Friend's suggestion that it would expose divisions within the Conservative party, I feel that Conservative Members need no help from us in that respect, and I cannot find time for an extra debate on Europe.

Sir Peter Emery (East Devon): Having heard Labour Members congratulate you, Madam Speaker, on your speech yesterday, let me acknowledge on behalf of the Opposition that yours received more applause than the other three speeches and it was much to your credit.

I have a question on Kosovo for the Leader of the House. Does she realise that statements by Ministers do not in themselves provide an adequate opportunity for debate? An illustration of that was the statement by the Home Secretary yesterday, when, although a number of hon. Members asked questions, others were still waiting to participate when time was called. Does she realise that Kosovo has three aspects: the military factor, the negotiations and foreign affairs issues, and the massive problem of refugees? Can she find perhaps half a day of Government time to discuss the problem of refugees—how they will be dealt with and what assistance they will receive—sometime in the immediate future?

Mrs. Beckett: I entirely share the right hon. Gentleman's view that statements are not enough and that there must also be debate—indeed, that is why the Government have repeatedly found time for both and will continue to do so. I take his point that there are several aspects to the matter and that debates may focus on one aspect rather than another. However, I would prefer to leave that in the hands of the House. When we can, we provide Government time for debate, and it is a matter for the House whether it wishes to focus on one aspect rather than another; otherwise, we should be in danger of fettering the concerns of hon. Members.

Mr. Tam Dalyell (Linlithgow): Following the point made by the right hon. Member for East Devon (Sir P. Emery), the Chairman of the Select Committee on Procedure, albeit that in parliamentary terms we both

might be out of Jurassic park, what does my right hon. Friend think that people such as Judith Hart, for whom she once worked, Jack Mendelson and Michael Foot, whose parliamentary activities kept us out of the Vietnam war, would have thought of a Leader of the House who said that we have statements to keep Parliament informed? In the old days, it was a much wider matter than keeping Parliament informed; there had to be parliamentary debates on substantive motions so that Members of Parliament could reach decisions by vote. I do not doubt that the Government would get a huge parliamentary majority, and that the dissenters among us may be few. However, given what is happening in the House of Representatives, the Folketing and the Bundestag; given the grave doubts of the Italians, with Mr. Rugova coming to talk to the Italian Prime Minister; given the dissatisfaction of the Greeks; and given the enormous environmental problems, with toxins spewing forth from chemical factories throughout Europe, is it sufficient for the House of Commons to agree to be kept informed? Is it not high time that the House registered an opinion? This is a parliamentary matter, not a party matter.

Mrs. Beckett: I am not sure whether my hon. Friend entirely followed what I said to the right hon. Member for East Devon (Sir P. Emery), who is the ex-Chairman of the Procedure Committee.

Mr. Dalyell: Forgive me.

Mrs. Beckett: It is the right hon. Gentleman's successor, the hon. Member for Macclesfield (Mr. Winterton), who needs placating.

I said to the right hon. Member for East Devon that the Government would continue to find time for statements and debates. As for what some of our distinguished predecessors—including my great and very dear friend Judith Hart—would have thought of these proceedings, they all, as great parliamentarians in their day, would have anticipated that the Leader of the House would look into the precedents with regard to the handling of discussion in the House during a campaign—namely, the provision of statements and time for debates. I have done that. I have looked into precedents from the second world war, the Falklands war and the Gulf war.

Our predecessors would also have expected the Leader of the House to look at the precedents with regard to how Parliament comes to decisions on these matters. I greatly respect the strong views of my hon. Friend, who strayed at the end of his question into whether Parliament should make a decision on a substantive motion. I tell him again that there is no precedent for that whatever.

Mr. Eric Forth (Bromley and Chislehurst): The Leader of the House will be aware that the Home Secretary has today pronounced on the matter of Mr. Fayed's citizenship. She may recall that, on the previous occasion when this matter was considered by the former Home Secretary, the present Home Secretary—in his previous Opposition incarnation—made a fuss about the need for transparency, for statements and for details to be given. Does the Leader of the House share my surprise that, apparently, no such details have been provided as yet? Will she therefore provide time as a matter of urgency for the Home Secretary to come to the House to give us in great detail the reasons for the decision that he has made today?

Mrs. Beckett: The mistake that the right hon. Gentleman makes is in drawing a parallel between someone not knowing the reasons why their application has been refused and someone knowing the reasons. My right hon. Friend the Home Secretary has announced the refusal, and has made plain his reasons, in full, to Mr. Al Fayed in a letter to his solicitors. However, my right hon. Friend believes that it is for Mr. Al Fayed to decide whether he publishes those reasons. Mr. Al Fayed now knows where he stands, whereas he did not before.

Mr. Mike Gapes (Ilford, South): Will the Leader of the House find time for an early debate on British identity and British nationality, so that we can make it clear to the wilder forms of nationalist extremism in Scotland and Wales, and to the growing English nationalist sentiment in the Conservative party, that my constituents—many of whom came to this country as refugees in the 1930s from Austria and Germany, with others coming from Somalia and fleeing from Saddam Hussein's regime in Iraq—feel proud to be British? In such a debate, we could make it clear that Britain includes people of all religions, all cultures and all nationalities. We are proud of that, and we will not tolerate the wilder forms of separatism and nationalism that are being pedalled in Scotland, in particular.

Mrs. Beckett: I entirely share my hon. Friend's view that one of the honourable things about the history of this great country is that it contains people of a rich variety of shades, cultures, opinions and religions, and has always done so. That is something that we celebrate, rightly. I am confident that many will consider it unutterably complacent to say so, but I fear that I share the view of a journalist who wrote recently that the other characteristic of the British identity is that one does not need to get excited about it, because it is a matter of feeling secure in that identity.

Rev. Martin Smyth (Belfast, South): I welcome the fact that the Northern Ireland (Location of Victims' Remains) Bill has a financial measure attached to it, because relatives have already been seeking compensation for the cost of burying their dead.

Can we have a statement from the Chancellor or from someone else on a growing problem in Northern Ireland? One person is estimated to have an income of £2 million from smuggling, and some people are making £40,000 to £50,000 a week. Is it not time that we had more customs officials employed to deal with the haemorrhaging of money that should go to the Treasury?

Mrs. Beckett: The hon. Gentleman makes a serious point. As I understand it, resources for customs have been increased as a result of the comprehensive spending review. I have little doubt that my right hon. Friends the Secretary of State for Northern Ireland and the Chancellor will keep the matter under review, because we are keen to have effective enforcement of law and order.

Mr. John Cryer (Hornchurch): I have asked my right hon. Friend before for a second debate on the Jenkins

[Mr. John Cryer]

report on electoral reform. My request is given greater urgency by the emergence of a shadowy organisation called Make Votes Count. Has my right hon. Friend seen early-day motion 592?

[*That this House notes recent articles in the Tribune newspaper regarding the decision by the Make Votes Count campaign to appoint lobbyists Lawson Lucas Medelson to run its public relations; is alarmed that LLM is not a member of the Association of Professional Political Consultants and is therefore not bound by its ethical code; and condemns LLM's threat of legal action against the Amalgamated Engineering and Electrical Union as an attempt to suppress debate on electoral reform.*]

As far as I can gather, LLM is attempting to use legal action to suppress the debate. That demonstrates that the debate on electoral reform has moved to a more vicious and sectarian stage, at least on the part of the Jenkins supporters.

We need a second debate because 50 Labour Members were unable to speak in the first debate. I suspect that the vast majority of them wanted to make it clear that they would have nothing to do with the bucket of pigs' entrails that is the Jenkins report.

Mrs. Beckett: I note my hon. Friend's somewhat colourful language. I have heard of the campaign, but I am not aware of the legal action to which he refers. I can certainly assure him that it receives no financial support from the Government and is unlikely to do so.

Mr. Nicholas Winterton (Macclesfield): The Leader of the House will be aware that the second runway at Manchester airport is in an advanced state of construction. She will also know, as it is a matter of importance to the United Kingdom as a whole, as well as Manchester in particular, that the Commonwealth games are to take place in and around that city in 2002. People right across the party political spectrum—local authorities, business, Manchester airport itself and others—are deeply concerned that the infrastructure to serve both the airport and the games is inadequate.

Will the Leader of the House arrange for the Minister for Roads and Road Safety to make a statement as soon as possible about the need for roads to the south and south-east of Manchester, in north Cheshire, and especially the Manchester airport eastern link road, the Macclesfield-Poynton road improvement and the Poynton bypass, which are essential if we are to serve those tens of thousands of people who will be attracted to both the airport and the games? That is critical. It is vital that the multimodal study be concluded.

Mrs. Beckett: I understand the hon. Gentleman's concern, although in many ways the Manchester area has very good infrastructure compared with other parts of the country. I accept that there may be deficiencies that are causing concern. I fear that I cannot undertake to find time for a special debate in the near future, but I remind him that Environment, Transport and the Regions questions are on Tuesday 11 May, and he might find an opportunity to work the subject in there.

Mr. Gareth R. Thomas (Harrow, West): I was pleased to hear my right hon. Friend announce a debate on the House of Lords. Does she agree that part of that debate should focus on the disgraceful decision by the other place to overturn key sections of our working families tax credit proposals? Is that not proof, if more proof were necessary, that the hereditary peers are completely out of touch with modern realities, especially concerning the child care needs of working families, and that sensible reform, long blocked by the Conservative party, is long overdue?

Mrs. Beckett: My hon. Friend is right to say that sensible reforms such as the working families tax credit are long overdue. It is part of the Government's multi-pronged approach to relieving the worst of the poverty for families in work which grew under the Conservative Government. Like my hon. Friend, I was astonished to learn that that was a matter in which the House of Lords thought fit to meddle. It is indeed a further example of the fact that that Chamber is now somewhat out of touch with modern realities and the modern world, and it shows that yet again it is acting on behalf of the few, rather than the many.

Mr. Peter Brooke (Cities of London and Westminster): Although the coincidence of timing between the Select Committee on Northern Ireland Affairs' visit to the United States and the Northern Ireland legislation next week, which I raised with the Leader of the House last week, has had some of the unfortunate consequences that I foresaw, I would still like to express my appreciation for the efforts that she made to find out whether anything could be changed.

I shall also ask a question supplementary to that asked by the hon. Member for Belfast, South (Rev. Martin Smyth), and say that one of the arguments in favour of a debate on smuggling across the Irish border is connected with a speech made by the Economic Secretary to the Treasury in Committee on the Finance Bill earlier this week. The hon. Lady said that the issue of a buffer zone such as that between Germany and Holland, which had been raised in the debate, was a matter for the Northern Ireland Office. However, Customs and Excise, for which she herself answers in the House, put that idea in a memorandum to the Select Committee. Is there not a sense in which the Treasury and the Northern Ireland Office both seek to avoid their particular responsibilities for dealing with that increasingly urgent question?

Mrs. Beckett: I thank the right hon. Gentleman for his kind remarks; I regret that that unfortunate clash has arisen. Nevertheless I hope that between us, with some good will, we can resolve it without too much difficulty.

I take the right hon. Gentleman's point about the concern expressed both by him and by the hon. Member for Belfast, South (Rev. Martin Smyth) about smuggling across the Irish border. The Government have provided resources for a substantial number of extra customs officers, so in that sense the Government are not ignoring the matter. The right hon. Gentleman is right to say that the Treasury answers for Customs and Excise in the House, and I shall draw his remarks to the attention of my right hon. Friend the Secretary of State for Northern Ireland and of Treasury Ministers, because it is important that we have the right liaison. I assure the right hon. Gentleman that all Departments are concerned about such matters.

Sir Sydney Chapman (Chipping Barnet): As Members are being elected to the Scottish Parliament today, does

the right hon. Lady agree that the so-called West Lothian question now assumes immediate urgency? Will she join me in thanking my right hon. Friend the Member for North–West Hampshire (Sir G. Young), the shadow Leader of the House, for taking the initiative and arranging for the matter to be debated during the Opposition day debate on Welsh and Scottish devolution next Tuesday? Because of the vital importance of the issue within the United Kingdom constitution, will the right hon. Lady ask the Prime Minister to intervene in the debate and let us know exactly where the Government stand on this burning question?

Mrs. Beckett: Personally, I share the view expressed either by Sir Malcolm Rifkind or by Sir Alec Douglas-Home, or possibly by both, that the West Lothian question did not need to be answered but could readily be put on one side; devolution could continue without it. Both men were in key positions in the Conservative party when they said such things—but of course that was longer ago than last week.

The hon. Gentleman also asked for an early discussion to settle the matter with speed. I remind him that the hon. Member for Macclesfield, the Chairman of the Procedure Committee, is now carrying out an inquiry into precisely how devolution may affect this House. With respect, I must tell the hon. Member for Chipping Barnet (Sir S. Chapman) that no one who sensibly wants the House to develop effectively and efficiently wants to rush to judgment on such matters.

Miss Anne McIntosh (Vale of York): Will the Leader of the House agree to make time for an early debate on another European matter—the revision and amendment of the sixth VAT directive, which is now before the Council of Ministers? The amendment would, for the first time, allow church repairs to be exempt from VAT. I am sure that the whole House will support my campaign to allow that to happen, but the Paymaster General seems reluctant to apply for the exemption. It would apply to all labour-intensive industries, and would end the anomaly between the building of new churches, which is exempt from VAT, and the repair of existing churches, which is subject to VAT at 17.5 per cent. Can we make time for an early debate, before the matter is decided in the Council of Ministers?

Mrs. Beckett: I sympathise with the hon. Lady's concerns, and I am well aware that hon. Members seek to relieve all sorts of worthy causes from the imposition of VAT. Experience suggests that the boundaries are complicated and subject to much discussion. I shall draw her remarks to the attention of my Treasury colleagues, but I fear that I cannot undertake to find time for a special debate on the issue in the near future.

Mr. John Bercow (Buckingham): May we have an early debate in Government time on the problems of small businesses? Given that businesses with fewer than 100 employees constitute 99.6 per cent. of British enterprises, employ 50 per cent. of the private sector work force and produce two fifths of national output, but that there has been a massive rise of 32 per cent. in small business bankruptcies compared with the same period last year, such a debate would give the Secretary of State for Trade and Industry a chance to expand on his recent statement that

"we as a Government have not got regulation right".—[*Official Report*, 29 April 1999; Vol. 330, c. 555.]

He could explain to the House and the country how and when he intends to reverse the damaging increase in regulation that his Government have spawned, and how they will create a climate in which the seedcorn of this country's prosperity can survive and flourish.

Mrs. Beckett: I am well aware of the importance of small and medium-sized businesses and have long been so. We are all mindful of the importance of trying to reduce the burden of regulation, whether on small or other businesses, but I accept that it impinges especially on small businesses. I was a little surprised that the hon. Gentleman mentioned bankruptcies. Whatever recent difficulties have arisen, there is no doubt that bankruptcy levels under this Government pale into insignificance beside the record of the Conservative Government whom he supported. We strongly believe that it is important to try to get the burden of regulation lifted as much as possible and, indeed, we hope to reverse the Conservatives' record of talking about reducing the burden of regulation but actually increasing it out of sight.

On the Government's general record, I remind the hon. Gentleman that it was only recently that small business commentators were moved to say when my hon. Friend the Member for Hornsey and Wood Green (Mrs. Roche) left the Department of Trade and Industry that she was the best Small Business Minister there had been for years.

London's Health Service

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Pope.]*

1.3 pm

The Secretary of State for Health (Mr. Frank Dobson): I cannot possibly start this debate on the modernisation of London's health services other than by paying tribute to the emergency services, and in particular the staff working for the NHS in London, for their swift, effective and highly professional response to the bomb outrages in Brixton, Brick lane and Soho. The staff involved all did an amazingly good job. Like the victims, the staff who tended to them were black, white, Asian, men and women, straight and gay, all united in that singular humanitarian ethic that towers above all others—the commitment to help our fellow humans when they are in desperate need.

In Brixton, 15 ambulances and three motor cycle paramedics went to the scene. The first ambulance was on the scene in eight minutes. By the time it arrived at King's College hospital with the first of the wounded, emergency plans had already swung into action. Staff already on duty had made all the necessary preparations. Other staff had been called back in. Yet others had rushed in of their own volition just in case they could help. The same was happening at St. George's hospital and at St. Thomas's hospital.

After the Brick lane explosion, five ambulances were dispatched to the scene. The first arrived within seven minutes, and was followed by emergency teams from University College hospital, helicopter emergency services, and the immediate care doctors. The Royal London hospital and other nearby hospitals were fully prepared to receive the victims. All displayed the same state of readiness and commitment that were evident in south London the week before.

Last Friday, 21 ambulances were dispatched to the scene in Soho. The first arrived in four minutes. Emergency teams from UCH were there shortly after, and once again the nearest hospitals—University College, St. Thomas's, Guy's, the Royal London and St. Mary's—all responded just as the others had in east London a week before and in south London two weeks before. All performed magnificently. The UCH Middlesex hospital did so despite operating with emergency services in Gower street and some in-patient services at the Middlesex site following the closure of the main UCH building in 1993.

This brilliant performance by London's NHS was partly because of the commitment and skill of the staff concerned and partly because of the painstaking contingency planning involving clinical and non-clinical staff, and management. One young nurse whom I met at the UCH accident and emergency department last Saturday evening explained to me that it was the first major incident she had been involved in. She had expected it to be chaotic, but it was not. She said everybody knew what they were supposed to be doing and got on with it.

I had gone there 24 hours after the bomb, partly in my role as the local Member or Parliament, to thank her and her colleagues. Some of the staff had not really had a rest since the night before, but when I met them they were involved in four main tasks. Some were still looking after badly injured bomb victims. Others were dealing with the "run-of-the-mill" patients turning up or being brought into their busy accident and emergency department that Saturday evening. All were considering what lessons could be learned, so they could do even better when the next major incident occurred, whether as a result of accident or terrorism. One senior member of the nursing was laboriously sorting out all the special kits that they use for major incidents, replenishing stocks of dressings and drugs, so that they would be ready if there was another major incident that night.

Far too often, all that is taken for granted, as if such a highly organised response to disasters was natural and spontaneous—something that just happens. But it does not just happen: it depends on professionalism and commitment, planning and accumulated experience.

That organised response is delivered by a public service, by people who do not just talk of the public service ethic, but who live by it. As my right hon. Friend the Prime Minister said at the charter mark awards ceremony last year,

"This government values public service; this government is proud of its public servants. What made you choose this career is what made me go into politics—a chance to serve, to make a difference. It is not just a job. It is a vocation. Britain relies on that ethos of public service, and we need to rekindle it if we are to deliver improved public services."

The NHS staff who looked after people after the bombs in Brixton, Brick lane and Soho look a bit embarrassed when one praises them to their faces. They say that they were only doing their jobs. They chose to work in the NHS because of the people they are. They are not motivated by share options or by windfalls from stock market flotations. They do it because they work for the national health service, which is committed to trying to provide the best health services for everybody—the best for all, on the basis of quality and equality, and that is what they deliver.

Mr. Peter Brooke (Cities of London and Westminster): I am most grateful to the Secretary of State for giving way, not least because the Middlesex hospital is on the border that separates my constituency and his, and because some of my constituents were among the patients treated. I should like to add my commendation and tribute to those volunteers from hospitals that were not in the front line who spontaneously came in to see whether they could help.

Mr. Dobson: I certainly join the right hon. Gentleman—my good neighbour—in paying tribute to those from other parts of the health service who came forward to volunteer their help. The right hon. Gentleman accompanied my right hon. Friend the Home Secretary on a visit to the UCH Middlesex hospital, which I know was much appreciated.

The NHS in London provides health care for 7 million people who live in London, 1 million who come to work in London and 25 million tourists and other visitors. The service has a hard task. Up to now, that task has not been made any easier by the rundown state of many hospital and other NHS buildings, by disproportionate cuts in beds in London, by the unreliable nature of much vital plant and equipment and by the absence of a Londonwide NHS organisation charged with planning and delivering

London's health and health care as a whole. We need to modernise London's health service, and that is what we are doing.

The population served by the NHS in London is very mixed. Some people and some neighbourhoods are prosperous and healthy. Others are quite the reverse. In some parts of London, unemployment, low pay, poor housing, crime and disorder, and environmental pollution combine to undermine the living standards and health of hundreds of thousands of local people. The Government's policies are intended to reduce gross inequalities in health, partly by improving health care in the most deprived areas and partly by making those areas and the people who live in them less deprived in the first place.

At the general election, we promised Londoners action on both aspects. We are keeping those promises. Within seven weeks of taking office, I set up the Turnberg review to provide an independent report on what the NHS in London needed. Within seven months, I was able to publish the Turnberg report and announce that the Government had accepted every one of its recommendations. They covered primary care; community health services; mental health services; general, specialist and teaching hospitals; emergency services; and teaching, research and development. All of them aim to improve the treatment and care of patients.

We have got on with making the improvements that are needed. Work is under way on building schemes worth more than £400 million, including new hospitals in Bromley and Greenwich and additional modern hospital buildings at Guy's and St. Thomas's, Central Middlesex, Hammersmith and Queen Charlotte's, Barnet and Homerton hospitals. National priority has been given for a further £350 million to be invested in a modern new hospital at UCH, and major modern developments at King's College, St. George's and West Middlesex University hospitals.

Subject to national prioritisation, further investment of more than £500 million is planned, including new hospitals at Oldchurch and the Royal London, and substantial modernisation at Bart's, St. Mary's at Paddington basin, Queen Mary's at Roehampton, Newham and Whittington. All over London, smaller modernisation schemes have been completed, are under way or will be under way shortly. More than £300 million will be invested in these smaller-scale improvements and modernisations over the next three years. More than £100 million is planned for this year.

London is a major centre of medical research, and we intend to keep it that way because it is good for Britain's reputation as a world leader in medical science and also good for patients. An excellent example of the role of research and development in improving health care delivery is the improvement in mortality of children with meningococcal septicaemia over the past five years in the children's intensive care unit at St. Mary's hospital, Paddington. By centralising critically ill children from the south of England in a single unit that can undertake research into the disease and assess new forms of treatment, greatly improved mortality has been achieved. St. Mary's has 5 per cent. mortality for children suffering the sudden shock associated with meningitis, the lowest rate reported anywhere in the world. That is an important example of the benefits of combining research and service on relatively rare diseases.

The Turnberg report recommended that we review specialist services in west London, and we have made progress. A west London partnership forum chaired by Lord Newton of Braintree, a former Tory Cabinet Minister, was established last summer to advance that work.

We want local people to receive accessible top quality treatment and care. We also want Imperial College medical school and its NHS partners in west London—especially the Royal Brompton, Harefield, Hammersmith, St. Mary's, Chelsea and Westminster, and Charing Cross hospitals—to maintain and enhance their national and international reputations in medical education, medical research and the development of new, improved, science-based treatment and care.

The leading clinicians in the area have been involved in formulating this new approach. I welcome this imaginative and long-term approach to the problems and opportunities of the area and look forward to receiving further details in due course.

We will not allow the development of these long-term plans to interfere with immediate developments in both services and research in west London. As I have personally told Sir Magdi Yacoub, there will be no planning blight. I am therefore pleased to announce that, over the next three years, we will be investing up to £2 million of NHS resources in a new heart sciences research centre at Harefield hospital. We hope shortly to approve similar investment in a new patient services centre at Harefield and in the Fulham wing at the Brompton hospital.

Work is continuing on the plans to build a new hospital at the Royal London in Whitechapel and transform Bart's into a major specialist cardiac and cancer centre. The distribution of cardiac services between the two sites has been sorted out with the help of Sir Terence English, and I hope to be able to announce the same about cancer services fairly shortly.

In the meantime, children's services have been successfully transferred from Queen Elizabeth's Hackney to the Royal London site, and the centre was opened on 28 October 1998 by Her Majesty the Queen. That was a big boost for the Royal London and demonstrated the commitment of both staff and management, who maintained a top-quality children's service while first meticulously planning the move and then doing the actual moving.

In the meantime, work to complete the Homerton hospital is well under way. The new A and E unit opened last December, the new children's and out-patients' departments will open next month and the work will be completed in May next year. Plans for extra modern acute services at Newham general have been approved.

The east end has also benefited from the extra £9.6 million which went with being designated a health action zone which is concentrating on children, young people and mental health. One programme covers refugees in the area, many of whom are suffering from post-traumatic stress. Other deprived areas in London designated as health action zones are Lambeth, Southwark and Lewisham, Camden and Islington, and Brent. All are helping reduce health inequalities by targeting special help on the most deprived groups in the most deprived areas.

[Mr. Dobson]

Since the publication of the Turnberg report, which emphasised the need to improve primary care, altogether 73 new or improved GP premises have been opened in London in the past year, and many more are to come. As a result, the proportion of substandard primary care premises in London has fallen from nearly one half to less than one third.

As in the rest of the country, primary care groups have been established in every part of London. The 66 PCGs bring together for the first time local GPs, nurses, people from social services and lay members—all working to improve the standard of primary care, commission improved services from local hospitals and identify and tackle local causes of ill health—all this in place of the previous Government's divisive internal market, which set doctor against doctor and hospital against hospital.

It will take time before all the benefits of this approach begin to work through, but let me give the House a few examples of how London PCGs are improving treatment and care for their patients.

The Harrow PCG is extending physiotherapy and dietetics services across the PCG, and developing and extending a community leg ulcer clinic which has transformed the treatment of leg ulcers in the area. The Bexley PCG is maintaining and extending physiotherapy, dermatology and chiropody services, and extending rheumatology outreach clinics PCG-wide. The Newham PCG is retaining and extending counselling, dietetics and physiotherapy across all the practices in its area.

Their work will tie in with the health improvement programmes which every health authority now has to draw up to identify and tackle the health and health care needs of their area. It is a modern, across-the-board approach which, again, is possible only because, under the new Government, all parts of the NHS are working together in place of the obligation to compete placed on them by the previous Government.

As recommended by Turnberg, we have increased investment in mental health services and improved co-ordination between the NHS, councils and voluntary agencies, not only in London but throughout the whole country. Last December, I announced a £700 million strategy to deliver safe and modern mental health services. That money is being invested in providing enhanced rapid response teams, more 24-hour staffed beds and more continuing care in the community. In London this year, health and social services will receive about £37 million extra for mental health services.

As recommended by Turnberg, work has begun on developing a Londonwide mental health strategy, drawing on the opportunities provided by new information technology. Part of that has been called by the people operating it a virtual institute in mental health research and development; it is a technological link, bringing together people in London who are doing research into mental health to provide better solutions for patients.

The movement of people and patients in London is very complex. It does not reflect the official, artificial boundaries of health authorities and trusts; that is why a Londonwide office makes so much more sense than the previous arrangements, whereby responsibility for London was divided between two regions, both of which also had responsibilities outside London. Therefore, to a quicker timetable than that envisaged by Turnberg, I have established a Londonwide regional office. The upheaval involved was kept to a minimum by good management, and the staff appear to have taken to their new role like ducks to water. Their work has been given a new purpose and dynamism. They will not be expected merely to formulate plans in consultation with the rest of the NHS in London; they will be expected to see to it that the plans are implemented.

The change has brought together health and social care programmes Londonwide, so that they can better work together to promote better and more effective working between the NHS and local social services in every part of London. That is crucial in raising the quality of service offered to elderly or disabled people and people with learning difficulties—for example, by playing a part in helping to improve the joint work among the NHS, local councils and voluntary organisations. That is already paying dividends. All over London, new arrangements are being made to help to look after patients better at home, so that elderly people do not have to go into hospital unnecessarily for want of proper care at home. Patients who have completed their hospital treatment can be discharged in the sure and certain knowledge that, between the local health and social services, there will be someone to look after them properly.

Mr. Simon Hughes (Southwark, North and Bermondsey): The Secretary of State referred to patients being discharged into the community and to the welcome review that he has initiated into the number of beds in the NHS. Given those points and the concerns over beds in London, can he tell us whether he has reached any conclusions about the number of beds we need, not in our acute hospitals, but in the community, for respite, recuperation and discharge? If not, when may we have such an assessment? That is one of the pressures of which we are all aware; there must be non-intensive care facilities for people who are nearly ready, but not quite ready, to return to their homes.

Mr. Dobson: Some of the national work has been completed. The London office is now working on the detail of what is needed in particular localities in London. That stretches from intensive care at one end to ensuring that people can sleep happily in their own beds at the other—with various intermediate stages. I hope that we shall be able to make some announcements on that matter before the summer. Some action is already being taken: additional intensive care beds are being provided and, in some places, more is being put into providing reception wards behind the accident and emergency departments, so that such care is better conducted. I hope that we shall have some detailed intentions to announce before the summer.

In the meantime, the NHS in London has been delivering treatment and care to Londoners as never before. Last year, London hospitals treated record numbers of patients. Record numbers of people came off the waiting list, record numbers of emergencies were dealt with and record numbers of out-patients were treated. London's hospitals have made a huge contribution to the record national fall in waiting lists. The final figures are not yet available, but figures for the end of February show that the London total of people waiting for in-patient

treatment was well below the number that we inherited when we came to power in May 1997, and that the total waiting list had fallen by 37,000 since March 1998. I can safely predict that the next set of figures will show a further drop of several thousand, for which the people involved are to be commended.

Those are not the only changes that we have made to health care in London to make it more modern and dependable. NHS Direct, the 24-hour nurse-led helpline, now covers 1.4 million people in west London and 700,000 million in south-east London, giving Londoners their first access to that most popular and successful service. In west London, the service is being organised, not by the ambulance service, as is usual, but by the Harmoni GP co-operative. At the co-operative's instigation, NHS Direct in west London is already being extended to provide access to GP out-of-hours services, mental health services and social services. NHS Direct will be extended to cover a further 1.9 million people in London by December of this year, and it will cover the whole capital next year.

London can look forward to other services that are currently being tested in other parts of the country, such as NHS Direct not only taking calls, but making them, which is a positive development. Already in West Yorkshire, during troughs in the flow of incoming calls, nurses ring patients to remind them of appointments with their doctors or for screening services; and in the west midlands the service is about to proceed with an arrangement whereby people who have been discharged from hospital are telephoned by NHS Direct to check their progress. The development of NHS Direct will enable dramatic improvements to be achieved in the general standard of health care in this country, especially because, in every part of the country, that development is taking place in co-operation with existing clinicians, doctors, nurses and others.

As everyone knows, one of the major problems besetting health care in the capital has been staff shortages, especially of nurses. The previous Government used to deny that there was a shortage of nurses, but, unlike them, we have not buried our head in the sand. Our efforts to improve nurse recruitment received a special boost in this year's pay awards: the London allowance was increased by 15.4 per cent. That, combined with the national awards, means that a newly qualified nurse in London now starts work on a salary of £17,325, and that two thirds of all nurses in London will be paid more than £20,000 a year.

When the new pay award was announced, we launched a major advertising campaign to recruit nurses and get former nurses to return. I can report that up to now—or rather, up to yesterday; there were probably more calls today—6,046 calls have been made in London in response to the advertising campaign; 840 came from nurses wanting to return to work in the NHS, and 91 such nurses have already returned. They are being further encouraged by the provision of free return-to-nursing courses. Those have proved to be a popular success, as I learned when I visited the Mayday hospital, Croydon to welcome a dozen nurses back to the NHS. They had been on a short three-week course to bring them up to date, which was geared to meet their family needs, such as by not clashing with school drop-off or pick-up times. Nearly everyone who had been on that short course had returned to nursing. Of course, the Mayday has become more attractive by its having benefited from the recent opening of a new accident and emergency unit.

Many students of nursing and young nurses require good-quality secure accommodation that is near their place of work. Regrettably, much of that accommodation was sold off under the previous Government and a lot of what remains is in a deplorable condition. I am having talks with the hospital authorities concerned and the Housing Corporation in an attempt to turn back the tide and provide somewhere decent, affordable and convenient for nurses to live, because a modern work force need somewhere safe and decent to live.

Mr. Simon Hughes: I agree with the Secretary of State's last point. On the nurses' pay issue, I have learned in the past few weeks that, although the pay award was very welcome, many nurses were frustrated to discover that they had not received the increase in their April pay packets. I do not want to be over-critical at this stage, but can the Secretary of State address the problem whereby pay awards announced with great flourish in January and February do not come through before September? That is a disgraceful situation, and many nurses feel badly let down.

Mr. Dobson: Most nurses have received their pay increases and, as far as I know, no one will be kept waiting until September. If anyone is kept waiting that long, the chief executives of the trusts concerned should receive their P45s and insurance cards in September. Like every other hon. Member, I believe that it is quite unacceptable to keep people hanging around in that way.

Mr. Alan Duncan (Rutland and Melton): The right hon. Gentleman always wants to sack people.

Mr. Dobson: If the people in charge of large organisations that depend on many loyal staff cannot sort out their pay systems for five, six or seven months, I think it is wholly appropriate to contemplate doing without their incompetent services.

Mr. Duncan: I also said that the Secretary of State should give the trusts the money to pay for the awards in full. According to many trusts, the money that they have received does not cover the awards that were announced in the House.

Mr. Dobson: Those chief executives should be more careful about what they say because virtually the whole of the increase was met—

Mr. Duncan: Virtually.

Mr. Dobson: Yes, virtually. I try to tell the truth in the House and I am rather careful about what I say. Virtually all the increase was met from the allocations that the trusts had already received and knew about. The additional sums were found, as we intended, from the modernisation fund. Very few trusts have had to find much money. That is in marked contrast with the previous Government's total refusal to fund any pay increases in some cases. The previous Government provided no additional resources in some years to meet trusts' pay obligations.

[Mr. Dobson]

Now that the pressure for internal competition is out of the way, a group of 35 inner-London trusts have done the sensible thing and have got together to promote better recruitment arrangements and to make working in London more attractive. They intend that work to cover not just nurses and midwives, but pharmacists and other groups as well.

At my instigation, trusts are now pursuing rigorous anti-violence policies: logging incidents, liaising with police, changing working practices, issuing staff with personal alarms, installing closed circuit television and changing the layout of buildings. I am told by those concerned that the new policy has already brought benefits in the modernised A and E departments at the King's College and Mayday hospitals. Our commitment to renew and modernise all A and E departments will deliver similar improvements in every part of the capital.

London is a multicultural city and the ethnic origins of a quarter of its population are black or Asian. Some ethnic groups have special needs and London's NHS must cater better for those needs, which include tackling heart disease in the Asian population, stroke prevention in the Caribbean population, and the take-up of breast and cervical screening among Asian women.

Many people from ethnic minorities have also felt excluded from the decision-making processes of the NHS. At the general election, we promised to make NHS boards more representative of the communities that they serve. Since we came to office, 53 per cent. of our appointments in London have been women and 24 per cent. have come from an ethnic minority background. The previous Government had a target that every health authority or trust with an ethnic minority population of 10 per cent. or more should comprise board members from an ethnic minority. That was all very well as a target, but they did not get around to achieving it.

Sixteen trusts and health authorities in London serving areas with more than 10 per cent. ethnic minority populations did not meet that target before the general election. Now all but three of them do. In total, 46 NHS boards in London have one ethnic minority member; 17 boards have two such members; and three boards have three. *[Interruption.]* I did not catch what the right hon. Member for Kensington and Chelsea (Mr. Clark) said.

Mr. Alan Clark (Kensington and Chelsea): I was going to suggest that all the white middle-class males in the catchment area be employed as cleaners.

Mr. Dobson: On the basis of that comment, I shall not make the right hon. Gentleman the principal recruiting officer for the NHS in London.

My actions should help to make sure that proper attention is paid to rooting out institutional racism faced by patients and staff, but I emphasise that this is a task for everybody, not a lone member from an ethnic group who serves on a board.

That brings me to the wider question of tackling inequalities in health, not only through targeted effort by the NHS, but by using every instrument at the Government's disposal. Poor people are ill more often and die sooner. I have been stating that ever since I became an MP, and we have had further confirmation of the truth of that in the past few days in reports revealing that strokes and cancer are more common and more harmful for people who are badly off. We all know the factors that systematically make poor people ill: unemployment, low pay, poor housing, crime and disorder and a polluted environment. This Government are taking concerted action to tackle those problems.

There are now 143,000 more people in work in Greater London than there were two years ago, when we were elected; 36,000 young people have started the new deal, and 6,800 have already got jobs. There is still a long way to go, but our proposals are working despite the opposition of Tories and Liberals who preferred to defend the windfall profits of the utilities rather than invest in our young people and the long-term unemployed. Getting a job will improve the health of those people. The figures reveal that, if a middle-aged man loses his job, that doubles his chances of dying in the next five years, and the group that has suffered the highest increase in mortality is made up of young men who are out of work.

The introduction of the national minimum wage—I am inordinately proud to be a member of the Government who introduced that measure—has benefited 116,000 people in work in London by putting more money in their pockets and handbags. The working families tax credit, which guarantees a minimum full-time pay of £200 a week for a family with children will benefit 125,000 families in London.

As far as I know, all those measures were opposed by the Tories and some were opposed by the Liberal Democrats. They will all put money into the pockets of the worst-off and thereby improve their health and that of their families, and that is one of our main reasons for introducing them.

Mr. Duncan: Setting aside any arguments about whether the minimum wage is good or bad, will the Secretary of State, for the information of the House, advise us how much the implementation of the minimum wage has cost the national health service in London?

Mr. Dobson: For an organisation that will be spending £40 billion this year, the answer is next to nothing, and certainly not the stupid, harum-scarum sums of £500 million that were quoted by Tory Members who have held the job that I now have. They gave those "estimates", as they called them, because they wanted to put people off supporting the minimum wage and because they were too idle and feckless to have collected any information on the levels of pay in the health service. They apparently gloried in the thought that they had been presiding over a health service in which tens of thousands of hard-working staff were so badly paid that their pay would be improved by the introduction of a national minimum wage. The impact of the measure is minimal.

Mr. Eric Forth (Bromley and Chislehurst): As the Secretary of State has been so typically robust about comments that my colleagues have made in the past, will he now demonstrate his grasp of the subject by giving us the actual cost of implementing the minimum wage for the health service as a whole and the health service in London?

Mr. Dobson: The costs are minimal. [HON. MEMBERS: "What is the figure?"] Below £10 million—not £500 million, which the fools on the Opposition Benches were quoting. The last estimate that I received of the costs of implementing the £3.60 minimum wage was below £10 million.

Mr. Duncan: Is that for London?

Mr. Dobson: No, that is for everywhere in the country. We have not broken down the figure. Because levels of pay in London are that bit higher, I doubt whether anyone in the NHS in London is earning less than £3.60 an hour. I emphasise that such information was not available to me when I first became Secretary of State because the Tories had deliberately stopped the collection of that data three years earlier. Indeed, it cost us £46,000 to carry out a survey to find out what the impact would be.

Mr. Duncan: If the cost to the NHS was less than £10 million overall, how can the right hon. Gentleman maintain that there was a problem of low pay beforehand?

Mr. Dobson: I was not saying that.

Mr. John Horam (Orpington): What is the point of the minimum wage?

Mr. Dobson: If the hon. Gentleman asks the more than 2 million earners who are now getting a national minimum wage of £3.60 instead of £1.80, £2 or £2.30 an hour, which his well-paid little friends were paying them, he will find that plenty of people think that there are advantages to a national minimum wage. Practically every decent person in this country thinks so. Despite all the Tory propaganda, there was scarcely ever a time when less than three quarters of the people in this country believed that the national minimum wage was a bad idea. We have never thought that it would have much impact on the NHS. The Tories were estimating that it would cost £500 million, which shows how stupid and ill-informed they were about that aspect of the NHS for which they were responsible.

In London, 2.6 million employees will benefit from the cut in national insurance contributions, and the new 10p starting rate of income tax will halve the tax bill for 170,000 Londoners. Putting more money into their handbags and pockets will improve their health.

Record increases in child benefit will raise the living standards of the worst-off families with children. The sure start programme, over which my right hon. Friend the Minister for Public Health is presiding, will bring together early education, health services and family support for families when they need it—with more than £450 million over the next three years. Some of the pilot schemes will be in London. There will be one in Camden and, I believe, the other will be in Southwark. There seems to be some strange coincidence between the location of those pilots and the places represented by today's Front-Bench spokesmen.

New improvements in pensions and the £100 million winter payment fund will benefit 1.2 million London pensioners. Their finances and health will also benefit from the abolition of the charge for eye tests for over 60-year-olds, which the mean-minded Tories were happy to introduce because they wanted to start charging for everything in the NHS.

As part of our efforts to provide people with somewhere decent to live, the Government are investing £145 million to reduce the number of people sleeping rough. The bulk of that money will be spent in London, which will certainly improve the health of the people concerned. We are also investing more than £5 billion a year on building new homes and renovating old ones; £390 million from the capital receipts initiative will be invested this year in new and better homes for Londoners, which will therefore improve their health.

It would be silly to try to pretend that everything is fine with London's health services, and that improvements can be made immediately, but it is certainly true that things are improving and will continue to improve. New hospitals are being built, old hospitals are being modernised, staff pay and conditions are being improved, new and better ways of working are being introduced, the quality of treatment and care is being raised and more and more patients are being treated.

In March, we published a modernisation plan for the NHS in London, which describes the targets that the Government are setting—no longer keeping them a closely guarded secret, but spelling them out, so that Londoners know what they are and can judge whether they have been met. I am confident that they will be met and that it will be largely because of the commitment, skill and professionalism of the NHS staff working in London, which, as I said at the beginning, were so amply demonstrated by their brilliant response to the three outrages in Brixton, Brick lane and Soho over the past three weeks. We owe them a great deal and we are determined to provide them with modern buildings, modern equipment and modern ways of working so that they can deliver a service to a standard to which they have always aspired.

1.45 pm

Mr. Alan Duncan (Rutland and Melton): May I associate myself and my right hon. and hon. Friends with what the Secretary of State said in some detail—it needed that detail—in praise of those who work in the national health service and their response to the three outrageous nail bomb attacks in London over the past few weeks? No praise can be too high. Lives have been saved and people have been treated quickly and well. Their response to what happened in Brixton, Brick lane and Soho was admirable. I am sure that the Secretary of State joins me in condemning the contemptible nature of those attacks, which were all the more contemptible for being targeted at minorities.

The praise given to health service personnel today is the sort of praise that hon. Members want to give pretty well all the time because, by and large, the health service is successful because of the people who work in it. It is the people who make it. It is their dedicated nature that makes it the success that it is. It is what they do that makes the health service something of which to be proud.

In London and every other part of the country, things are not perfect. As politicians, we have a grave duty to make sure that debate on this subject is of the highest standard possible. If we get the debate wrong and we are irresponsible in our discussions, quite literally, it can cost lives.

[Mr. Alan Duncan]

The health service is a massive enterprise, probably one of the largest single employers in the world. It has a massive budget and a massive task. It has a duty of care which perhaps no other organisation has to meet on such a large scale. Therefore, it behoves us to treat it not with the political licence with which so many other topics are treated, but with a grave responsibility and deeper thought than many are prepared to give.

Conservative Members are trying to do that. We are trying to recognise that this is a modern world where wants are taking over from needs and people expect things to be delivered. It is a consumer world where people expect their wants to be met as well as their needs and, clearly, the NHS will not be able to do it all. It has never been able to. If our starting point for debate is a denial of that basic fundamental point, which every cabbie in the street will say is common sense, we will not be treating this matter with the responsibility it deserves.

I want to make it clear where we are coming from. We admit that rationing exists and that it always has. We admit that there is a shortfall between what the NHS can deliver and what its resources can allow it to deliver. Our basic position is simple—we recognise that the NHS cannot do it all.

Mr. Mike Gapes (Ilford, South): What does the hon. Gentleman think that the national health service should not provide, and for what should people be forced to pay?

Mr. Duncan: The Government should consider exactly that in recognising that the national health service cannot do it all. There is no prospect—no chance, even—of starting a sensible discussion on the national health service's limitations and capabilities without first admitting that the health service cannot do it all. As I said the other week, in a lecture, if the national health service cannot do it all, it is immoral for anyone to stand up and say that it should—unless they are prepared to say clearly from where the resources will come.

Our vision of health care in Britain is for the overall health care sector to be expanded when possible. In other countries, a private sector larger than ours works in harmony with the public sector. We want the United Kingdom to develop such a mutually supportive private-public mix. Those who say that the national health service can and should do it all are only trapping us in an unreal world in which patients will suffer.

The Opposition's position on the national health service is clear, whereas the Government, who are responsible for the health service, have not made their position clear. The Government gained office by stirring up grievance and campaigning against almost every hospital closure. In some cases, they won a seat in this place by promising that they would keep a hospital open. They also continue to enjoy blaming the previous Government for every possible problem in the national health service, although they refuse to come to terms with the basic fact that the national health service cannot do it all.

One has only to consider the Secretary of State's comments on the minimum wage to realise that the Government's campaign promises do not marry with their statements in government. The Opposition's task is to ensure that the Government are held to account, so that their actions since being elected to government may be judged by their statements before the general election.

There is rationing in London, as there is in the whole country. The Secretary of State attended the London school of economics—albeit at a time when it was teaching some pretty funny things—and studied economics. He should therefore know the definition of rationing—*[Interruption.]* I hear him pleading guilty, and I join him in that verdict.

There is rationing. By what definition is there not rationing in the national health service? If there is a limit to what the national health service can do, if everything that is demanded is not supplied, and if a monopoly supplier is deciding for patients what they can or cannot have, what is it, if not rationing?

I ask the Secretary of State—who, even on Tuesday, denied that there was rationing—and the Minister for Public Health, who answered no when asked point-blank whether there was rationing in the health service, to define rationing. If the national health service is determining what people can or cannot have in the face of scarce resources, what is it, if not rationing?

Mr. Dobson: By the normal definition of rationing, the only rationing of health care in the United Kingdom is occurring in some parts of the private sector, which provide insurance cover only up to a certain sum, after which people must pay for care themselves. That is rationing. Every definition of rationing—I refer the hon. Gentleman to the "Oxford English Dictionary"—

Mr. Duncan: Answer the question.

Mr. Dobson: I refer the hon. Gentleman to the "Oxford English Dictionary", as it might be a good idea for him to base his arguments on something sound. All dictionary definitions of rationing describe limits to what is available to an individual—but that situation does not apply in the national health service at all. Everyone knows that there are limits to available resources. However, suggesting that we have rationing in the national health service is like saying that, because there are no more seats on the jumbo jet that one wanted to go on to New York, for example, flights are being rationed. No one thinks that that is a sensible definition of rationing.

Mr. Duncan: That is an extraordinary statement. The Secretary of State has just said that there are no limits to what an individual can get on the national health service. If that is his defence against my charge that there is rationing, he is in a very peculiar position and his comments will not bear scrutiny.

Let us consider daily life in the national health service in London and throughout the country. Waiting lists are a form of rationing. Patients want and need treatment, but they cannot have it yet. They have to wait. It was the same during the war when there was a shortage of food. People could not have their sausages until new supplies came in. Delays for treatment are a form of rationing.

The situation is not even improving, as the Secretary of State claims. It remains as bad as ever. For every fall in the waiting list that he publishes, he knows that there is a pretty well equal rise in the number of people trying to get on the waiting list. We have continuous, unimproved

rationing by making people wait not just to get the treatment that they need, but—this is worse—to get the diagnosis that they need to work out whether they need treatment.

Mr. Dobson: The hon. Gentleman apparently sees a parallel between the national health service and wartime rationing of food. Under wartime rationing, people got a specific amount of bacon a week and nobody got more. That is rationing. We do not have that in the national health service. We do not say, "You can have £50 of treatment and then that's your lot." That would be rationing.

Mr. Duncan: The situation is even worse. Such is rationing in the national health service that someone who needs beta interferon for multiple sclerosis might not get it at all, depending on where they live. Some people get it and others do not. That is another form of rationing.

If even those logical arguments have not persuaded the Secretary of State that rationing exists and that he has yet to treat this massive issue with the honesty that it deserves, let me refer to Viagra.

Mr. Roger Casale (Wimbledon) *rose—*

Mr. Duncan: Before I do so, I shall give way to the hon. Member for Wimbledon (Mr. Casale).

Mr. Casale: Does the hon. Gentleman accept that the introduction of nursery vouchers was a form of rationing? Is his party proposing something similar for access to the national health service?

Mr. Duncan: I am trying to explain to the Secretary of State that there is a difference between the resources put into the health service and the demand that is put on it, but he seems impervious to that point. The shortfall leads to rationing, but he is not prepared to admit to that form of rationing.

Viagra is the perfect example to fit in with the Secretary of State's narrow and peculiar definition. There is a lawsuit under way about the manner in which the Secretary of State has taken a decision about Viagra and I would not dream of straying into any details that might be deemed sub judice. The more general point, which is evident from the statements that he has made in the House and to the press, is that he intends to ration Viagra. It will not be freely available on prescription in the national health service, even if GPs, using their clinical judgment, assess a patient to be in need of the drug. Instead, the Secretary of State intends to restrict it to the narrowest possible form of availability, thereby paradoxically forcing anyone else who might otherwise be prescribed it within the national health service into the private sector—which the Secretary of State so loathes and reviles—where they have to pay double or even more.

So we have a new drug which can do a lot of good to people who clearly need it, which is recognised by clinicians throughout the health service and which will not be available from the national health service. Its availability is restricted. That is rationing and it applies in London and everywhere else. We need some transparency as to the rationale behind the Secretary of State's decision about what is available on the national health service, what is rationed and what is not available at all.

Unless we have a realistic, grown-up, responsible debate about what the health service can and cannot do, London will suffer, the future of health service care throughout the country will suffer and the Secretary of State will not go down in history as someone who has met the responsibilities that have been entrusted to him. The debate has become puerile and deceitful. It has become a nasty form of politics of which the Secretary of State cannot be proud.

Let me turn to deficits in London. The Secretary of State has paraded no end of generosity about the spending round. He came to office two years ago—that is, two financial years. If he thought there was a great problem, he has had time enough to sort it out. However, a recent article in the *Health Service Journal* reported that London trusts and health authorities have a deficit of £74.74 million. That figure does not include mental health trusts or Lambeth, Southwark and Lewisham health authorities. It is estimated that the total deficit in London is probably in excess of £100 million. I am not sure whether the Secretary of State is snoozing or smiling, but he does not seem to want to address the fact that £100 million is a large deficit, which he used to criticise in opposition. Given what he said in opposition and what he claims to be doing in government, what does he propose to do about the £100 million deficit in our health service?

How can the Secretary of State reconcile everything that his party campaigned for in opposition with what has subsequently happened in respect of closures? When we were in government, we had the honesty to admit that, as old buildings decay and patterns of health service demand change and the requirements of technology and population shift, some hospitals will close, others will provide different services, others will take on different responsibilities and new hospitals will have to be built. That is a fair-minded, sensible view of how a developing health service should operate. However, that was not Labour's opinion in opposition. According to Labour, every closure was bad, every change was bad and no hospital was doing enough. Some Labour Members even had the deceit to put out election literature promising that certain wards or hospitals would remain open in order to grub for votes, only to collude with the new Government on their subsequent closure. Does the Secretary of State have any qualms about that? Is he worried that his reputation might sink? He seems impervious to accusations that such deceitful politics harm the reputation of his own party and the health service.

Mr. Dobson: Instead of making generalised smears, will the hon. Gentleman be specific?

Mr. Duncan: Barnet, Edgware and Roehampton are all examples. Indeed, I shall be more specific. The Turnberg report said a great deal of sensible things, but it does not marry with what Labour said in opposition. The full list of closures includes the accident and emergency department at Guy's and a reduction in bed capacity there; the closure of Greenwich hospital; loss of facilities to St. George's at Atkinson Morley's hospital and the closure of Queen Mary's hospital at Roehampton—another one that they said they would not shut. Queen Charlotte's is another example—I could go on, but first let me turn to Bart's.

Mr. Dobson: Has it not registered with the hon. Gentleman that we are building a new hospital at

[Mr. Dobson]

Greenwich, and that the movement of Queen Charlotte's hospital to the Hammersmith hospital was—as far as I know—welcomed by virtually everybody involved, including the Labour party when we were in opposition? The hon. Gentleman may take as an example amalgamations of hospitals and closures. Four hospitals will go into the new University College hospital in my constituency; the Elizabeth Garrett Anderson hospital, University College hospital, the Middlesex hospital and the Hospital for Tropical Diseases. I supported that through thick and thin in opposition, and I continue to do so. I do not regard it as four closures; I regard it as a promise to build a new hospital.

Mr. Duncan: The Secretary of State tries hard, but he knows that Labour's campaign promise was that the Edgware and Roehampton hospitals would stay open.

Mr. Dobson: They are.

Mr. Duncan: The accident and emergency departments are shut. Does the Secretary of State admit that Labour in opposition promised that those facilities would remain open, but shut them when it got into government? Will the Secretary of State admit that? He will not.

Ms Joan Ryan (Enfield, North): When the last Government were ensuring the closure of Edgware district general hospital, I was a member of Barnet council. That council—along with the Labour party locally, the Labour Opposition in this House and the entire local population—fought tooth and nail to keep the hospital open. Your Government did everything but close the door. You ran it down—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. It was not my Government; the hon. Lady should refer to the hon. Gentleman.

Mr. Duncan: As the House well knows, the Government have it in their power to keep open hospitals that they said they would shut. They did not, but that is how they got into office.

Mr. Tony McNulty (Harrow, East): I am sure that the hon. Gentleman—who is an honest man, filled with integrity—would not want to mislead the House. The Edgware general hospital accident and emergency facility closed on 1 April 1997—not after the election. Will he correct his inaccuracy?

Mr. Duncan: The hon. Gentleman should look at the election literature of his colleagues. He will realise that it does not stand up to scrutiny; nor does what the Government have done subsequently on Bart's.

Mr. McNulty: On a point of order, Mr. Deputy Speaker. Is it in order for the hon. Gentleman, however inadvertently, to mislead the House and not correct his inaccuracy?

Mr. Deputy Speaker: These are matters of debate. [HON. MEMBERS: "These are the facts."] These are issues in the debate. Obviously, all right hon. and hon. Members should seek to make as accurate statements as they can to the House. May I suggest that an air of calmness should descend upon the debate?

Mr. Duncan: Perhaps I can ask the Secretary of State a specific question. This morning, I was given a copy of a letter sent to the Prime Minister by the Save Bart's campaign.

Mr. Dobson: When?

Mr. Duncan: This morning.

Mr. Dobson: No, when was it sent?

Mr. Deputy Speaker: Order. I just suggested that the debate was starting to become less ordered than it should be. Sedentary comments from Front or Back Benchers are not helpful.

Mr. Duncan: I was given the letter this morning, and I would welcome the Secretary of State's denial if what is in it is untrue. In the letter to the Prime Minister, the Save Bart's campaign said that plans were reportedly in preparation for Bart's renowned specialist expertise not to be concentrated at Bart's, but to be fragmented between Bart's and the Royal London hospital. The letter suggests that Bart's will provide a limited range of cancer and cardiac services only, and that that negates the Secretary of State's earlier decision. Does the Secretary of State deny that those suspicions are accurate, or not?

Mr. Dobson: We are committed—the Prime Minister backs that commitment—to having a major cardiac and cancer centre at Bart's, and we will. That will be delivered, as I said in my speech. The share between Bart's and the Royal London of cardiac services has been agreed to the satisfaction of all concerned, including the clinicians at Bart's. I hope that we will be able to reach the same conclusion about cancer treatment shortly. It will be delivered.

Mr. Duncan: I am grateful for that assurance. I hope that subsequent events will put the concerns of supporters of Bart's at rest. They are deeply concerned about the Royal Hospitals trust timetable for what is to happen over the next months and years. We will monitor events closely to find out whether their suspicions are founded. I know that the Secretary of State chooses his words carefully, but I hope that the suspicions expressed in the letter are unfounded.

Mr. Dobson: Let us get it on the record that the hon. Gentleman's Government—not yours, Mr. Deputy Speaker—intended to close Bart's. We will keep it open and turn it into a major cancer and cardiac centre. That is what we said we would do, and we will deliver.

Mr. Duncan: Let us hope so. I cannot understand, then, why people in the Save Bart's campaign are so upset. They clearly know something that the Secretary of State does not.

My right hon. Friend the Leader of the Opposition yesterday asked the Prime Minister specific questions about what the Government were doing in moving

amendments to European Union directives on junior doctors' hours. We did not get a straight answer. I have here a document addressed to the general secretariat of the Council. It says:

"The UK delegation is proposing the following text"

on doctors in training, and it includes the figure of 65 hours a week as the maximum. That affects some of the most significant hospitals in London, such as St. Thomas's across the river.

Junior doctors' hours are crucial. Why have the Government proposed that they should work 65 hours a week? I invite the Secretary of State to explain why they have done that, if, as he says—and I know that he is honest—they have no intention of ever increasing the figure beyond 56 hours? He refuses to answer. We have him pinned down.

Mr. Dobson *rose—*

Mr. Duncan: Aha!

Mr. Dobson: The previous Government came to an agreement, a new deal, with the junior doctors, in which 56 hours was to be the target. When we came to office, 20 per cent. of doctors were working longer than that; the figure has been reduced to 15 per cent. and we intend to continue to reduce it. The proposition originally in the European Union directive would have been more restrictive than we thought sensible. We are taking part in negotiations and we believe, as I said in the House on Tuesday, that at the end of those negotiations we will have a sensible directive that will meet the needs of our junior doctors.

As I said on Tuesday, and as the BBC seems incapable of understanding, we want to get the junior doctors' hours down—that is what we will do—and we have no intention of increasing them, despite all the lurid headlines from the hon. Gentleman and his little friend who is not here today.

Mr. Duncan: We have become very familiar with that sort of response from the Secretary of State. Whenever he has his back to the wall, he either blames the BBC or says that someone in the national health service should be sacked. I have negotiated a few things in my time, but I cannot understand why, if the Government are aiming for 56 hours, they should table a proposal for 65. If anyone is brainy enough to explain how that can be good negotiating and will lead to what the Secretary of State says he wants, when the presidency itself has had to propose 56 hours, perhaps they can enlighten the House, because I am blowed if I can work it out.

Will the Secretary of State correct what he said on Tuesday? He said:

"Children, pregnant women, nursing mothers and people on low incomes have always been eligible for free dental checks and sight tests."—[*Official Report*, 4 May 1999; Vol. 330, c. 689.]

Pregnant women and nursing mothers are not eligible for free sight tests. He does not seem to know that. What he said was totally inaccurate, and I hope that he will have the decency to correct it.

Mr. Dobson: If I said sight tests, I said it inadvertently. I am perfectly aware that it is dental checks that pregnant women and nursing mothers are entitled to. If the two got stuck together in one sentence, I duly apologise.

Mr. Forth: A rare event.

Mr. Duncan: I thank the Secretary of State for that apology, which is indeed a rare event. We have to be persistent in opposition and try, by degrees, to bring him and his ministerial team down to a level where they will engage in serious debate and be accountable for what they say in the House, rather than continuing to distort so much of their stance on the health service.

Mr. McNulty: The hon. Gentleman said at the start of his speech that he wanted us to have a grown-up and mature debate on the health service in London. When is he going to start it?

Mr. Duncan: I will be happy to send the hon. Gentleman a copy of my lecture, and I look forward to a sensible critique.

Mr. Gapes: Will the hon. Gentleman give way?

Mr. Duncan: To do so seems like a hopeless way to raise the tone of the debate, but I will.

Mr. Gapes: While the hon. Gentleman is sending out copies of his lecture, will he send out extracts of his book containing the chapter that was in the original version but left out of the reprinted edition?

Mr. Duncan: That rather proves my point.

There are clearly problems in the London ambulance service, and I hope that the Minister will address them in detail when she winds up. We all recognise that national health service staff work very hard but, as I try to argue day in, day out, they are hard pressed and overstretched and are being asked to deliver far more than should be expected of any normal human being, especially on straitened resources. That is certainly the case in the London ambulance service.

The *Evening Standard* last week carried a large article on the state of the ambulance service, claiming that morale is plunging, that there is a growing staff shortage—not an inherited one—and that sickness and absenteeism are on the increase. It appears that there has been a sharp increase in response times and new figures show that the service is struggling. What steps are being taken to remedy that? It is important to keep response times to a minimum and we need to know what the Government intend to do.

I always try to give credit where credit is due. There was also a survey in the *Evening Standard* on people's views on GPs in London. By and large, the views were highly favourable, and we should congratulate the GPs—the family doctors—on that. That will change, however, if the Government continue to impose on family doctors structures in the primary care groups with which they are not happy.

What flexibility will be introduced in the way in which primary care groups can be changed? At the moment, doctors are forced into groups, often against their will. The survey shows that most people are happy with their GP, but that people especially like it when their GP is a single practitioner and do not necessarily want to go to a group. How do the Government intend to ensure that satisfaction ratings continue to be high? Moreover, how does the Minister respond to the accusation by the British

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Dental Association this week that it is increasingly difficult to find a national health service dentist in London?

Mr. Gareth R. Thomas (Harrow, West): How does the hon. Gentleman think that Londoners will gain a health benefit from his plan to introduce charges for visiting GPs?

Mr. Duncan: As neither I nor any other Conservative Member has said anything about that, I suggest that the hon. Gentleman goes away and does a bit of research.

The health service in London is a massive endeavour. Like the health service everywhere else in the country, it is doing its best on limited resources—and, as elsewhere in the country, it requires a vision for future health care, which it is not getting from the Government. The Opposition congratulate all those who work in the health service in London, but we look forward to a debate that will go beyond mere political battling and look to health provision for the benefit of future patients both inside and outside the public sector.

2.21 pm

Mr. Tony Colman (Putney): Thank you for calling me early in the debate, Mr. Deputy Speaker, so that I can correct some of the extraordinary statements made by the hon. Member for Rutland and Melton (Mr. Duncan). He started his speech saying that we, as politicians, should not use political licence when we talk about the national health service, but hon. Members on both sides of the House should condemn what he said, especially in the later stages of his speech, because that is exactly what he did.

First, I need to put the record straight about Queen Mary's hospital, Roehampton, so I remind the House what happened before I was elected to represent Putney in May 1997. The decision on the transfer of services was taken in December 1996, and supported by Tory Wandsworth council, by the previous Tory Member for Putney, David Mellor, and by the Tory Government.

The changes, which took place in April 1997, a month before I was elected, involved the transfer out of acute surgery, orthopaedics and paediatric and maternity services, and the downgrading of the accident and emergency department to a minor injuries unit. The services were largely transferred to Kingston, but the previous Government had made no plans for their reception there. There were no additional wards or beds, and no additional help for the A and E department, so there was chaos. That was what I found when I became the Member of Parliament for Putney.

The Turnberg report mentioned the piecemeal erosion of services at Queen Mary's hospital, which had been going on for many years before the decision was made in December 1996, and utterly condemned it. It offered a vision of a new community hospital with a rapid diagnostic unit on the Queen Mary's hospital site, and I was pleased to hear the Secretary of State confirm his commitment to that hospital in his opening speech. I look forward to the business case for it going to the region, and then to Ministers this autumn.

I note that, in the report on what happened in the year since the Turnberg report was published, there is a commitment of £25 million for the development of that new community hospital. I remind hon. Members that the existing hospital dates from the early 1920s, and many of its buildings are converted Nissen huts. That is a good example of the way in which the health service had to patch and mend for so many years, especially under the Conservative Government. An appalling situation has been allowed to continue for too long, and my constituents and I look forward to the building of a new community hospital under a Labour Government.

Mr. Edward Davey (Kingston and Surbiton): The hon. Gentleman said that services had been transferred from Queen Mary's to Kingston hospital in recent years. I know that he was recently a patient at Kingston hospital, so can he confirm that the transfer of services put great pressure on that hospital, and that it needs backing in the form of new capital and extra resources to meet the transferred demand?

Mr. Colman: I entirely support everything that the hon. Gentleman has said, and I shall deal with that subject later.

Secondly, I shall remind the House of what is happening in the interim, while we are waiting for the new community hospital to be built. A newly refurbished out-patients unit was opened on 27 April by Chris Patten, the former chairman of the Conservative party, who is now a resident of Barnes. The choice of Chris Patten was a cross-party move which I strongly supported.

One hundred consultants continue to work in the out-patients clinics at Queen Mary's, and the rapid diagnostic packages of care are developing. Streamlined procedures for breast care, cardiology, dyspepsia and thyroid care are already in place. Furthermore, at a cost of £924,000, services for out-patients and the elderly that were previously provided at Putney hospital and Barnes day hospital, in outmoded wards, will be transferred to the Queen Mary's hospital site this summer.

I make a particular plea for the continuing use of the Putney hospital site when it becomes vacant. It should remain available for health care purposes, and I especially endorse the bid being made by Abbeyfield nursing homes for housing for elderly people on the site.

As part of the funding package for the new community hospital at Queen Mary's, there is a proposal that land not needed and therefore released—the hospital now sprawls over a large area, so the new hospital will not need the whole site—should be used for the relocation of Whitelands college, which is part of Roehampton institute and the university of Surrey at Roehampton. That will ensure that all the constituent colleges can be on the same site.

One of the services on the new Queen Mary's site will be a healthy living centre, for which a bid will be made in the next round. I also endorse the services provided at the cancer support centre in Wandsworth, which now operates in not totally suitable premises at the Battersea Methodist church mission hall, but has none the less been supported by the local community health trust and the health authority as a centre of excellence for the support of cancer sufferers.

I welcome the introduction of NHS Direct, which is now available for my constituents, and others in south-west London. As the hon. Member for Kingston and

Surbiton (Mr. Davey) said, although some went to St. George's, the vast majority of the acute services for my constituents were transferred to Kingston hospital in April 1997.

The present Government are having to pick up the pieces of the Tory Government's failed policies, and they built additional wards and provided extra beds in the Roehampton wing of Kingston hospital, which were opened in September 1998—just in time for me to occupy one of the beds the following November, and see for myself the great difficulties that the hospital is having in the A and E department, where I waited for eight hours to be treated. I strongly urge the Minister to take forward the current bid for a £2 million renovation and extension of the existing A and E at Kingston.

I understand that, in the past few days, the local trust has withdrawn the bid, because it foresees some major rebuilding that could cost up to £10 million. However, I am keen to ensure that, from this autumn, my constituents—including me, if I suffer again—do not have to wait as long as I, and they, have had to wait in the past.

Mr. Davey: I spoke to the chief executive of Kingston hospital today to clarify what he seeks from the region for his A and E department. He is suggesting several options, including renovation, but also including new build. It will be for the region to decide, but the business case has not been withdrawn; several options are being suggested and are now being properly costed. I think that the hon. Gentleman would agree that that is the proper business approach to making that important investment at Kingston hospital.

Mr. Colman: I thank the hon. Gentleman for that additional information and I am sure that he would agree that the site needs an immediate improvement this autumn. I would be concerned by any delay.

My third point about the situation in Kingston is the fact that many of the nurses on the acute wards who were transferred in April 1997 subsequently left, for a variety of reasons, but among the key ones was the unavailability of creche facilities. A bid is being made for a new 48-place day nursery on the Kingston site and I ask the Minister to support it. Another problem in the transfer of the nurses was the move from an inner-London weighting area to an outer-London weighting area. Everything must be done to ensure that nurses do not leave. It is not acceptable to recruit from the Philippines, however good those nurses are, because nurses who have previously worked at Queen Mary's cannot transfer, because of the lack of creche facilities or the diminution in their salaries for moving all of three miles.

My fourth point is the need to ensure that communication links between Kingston hospital and the Queen Mary's hospital sites are improved. At the moment, those links hardly exist and they are crucial to ensuring the development of the rapid diagnostic unit. Further communication links are needed between the two primary care groups that operate from the Queen Mary's site—the Richmond PCG, headed by Dr. Ian Johnson, and the Putney Roehampton PCG, under Dr. Sarah North—to ensure a joined-up national health service in south-west London.

I also endorse the bid from the chairman of the Richmond PCG, Dr. Ian Johnson, for GP beds on a site at Queen Mary's. Additionally, I endorse the work by the Pathfinder Trust on additional mental health beds as part of the new community hospital at Queen Mary's.

I especially wish to endorse the thrust of the Turnberg report about taking a local and regional approach. The report talked of a health service for London governed by a single bureaucracy, in order to leave behind the North and South Thames regions, but it also mentioned five sectors that would result in a sub-regional approach. I also endorse the South West London community trust, which came into being in the past month by bringing together the Richmond, Twickenham and Roehampton trust, the Wandsworth community health trust and the Merton and Sutton community trust. The new trust will minimise bureaucracy, and I especially endorse the work of Dr. Liz Nelson, the outgoing chair of the Richmond, Twickenham and Roehampton trust and the new chair of the south-west London community trust, and of Lucy Hadfield, the new chief executive. As part of the move to sectoralisation, I hope to see Merton, Sutton and Wandsworth health authority and the Kingston and Richmond health authority coming together, so that we have the primary care groups on a constituency level and a more over-arching approach on a sub-regional basis to deal with contracting.

The Turnberg report clearly stated in its criticism of the previous Government's delivery of health care services for south-west London that there was a need for a clear, unambiguous commitment to fulfil a credible plan. I have described such a plan today. The previous Government left health care in south-west London floundering: this Government, in modernising London's health service, have a clear vision that is being realised.

2.34 pm

Mr. Simon Hughes (Southwark, North and Bermondsey): Like the Secretary of State and the hon. Member for Rutland and Melton (Mr. Duncan), I wish to begin by paying tribute to the health service in London for its prompt, skilled and dedicated work in recent weeks. The excellent and timely work of the ambulance service and the paramedics was followed by the skill and commitment shown by people who worked for hours and hours in operating theatres to try to save the lives of those who had been attacked by the deranged, and to try to ensure that their horrific injuries were minimised and the violation of their integrity as human beings was reduced. The work continues, because people are still in intensive care battling for their lives, and it is a tribute to the best principles of the health service. Those staff do huge credit to their professions.

Hon. Members present for the debate are almost entirely Londoners, because we are exempt from the democratic activities that affect the rest of the country. I said almost entirely, because the hon. Member for Rutland and Melton is a notable exception. There are elections in his part of the world, but there are no Tory candidates.

Mr. Duncan: Forward planning.

Mr. Hughes: If that is forward planning by the Tory party, it must really be in difficulties. The hon. Gentleman is a welcome exception, but the rest of us are here because the Government's business managers wisely scheduled

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this debate today. We welcome it, as we welcomed the Turnberg report. Sir Leslie and his colleagues did a good job and we are grateful to the Government for commissioning the report and for taking from it the guidelines for London's health service.

I welcome also the Government's agreement on the preparation and publication of progress reports on the health service in London. We have now seen the first of those reports and I hope that we have regular, annual reports. Those reports should not only address the Turnberg report and its recommendations—and examine how each is being implemented—but give us the statistics for the previous year, this year and the next year, so that we can make comparisons of simple matters, such as bed and staff numbers. I guess that the House will debate only one more such report, before the matter is handed over to the Greater London Authority, which will properly wish to consider the strategic plans for the health service in London.

Another useful background document, which has not been expressly mentioned so far in the debate, has been published since the last debate on London health. The Health of Londoners Project's report, on the public health of London, was compiled by all the health authorities and it is a valuable document from which much useful information can be gleaned. I commend those who worked on the document, especially the public health directors of the London health authorities, many of whom are eminent in their own right.

All our debates about what the NHS should do must be predicated on the actual state of health of Londoners. The public health document contains various facts about that which confirm how unequal our society is and how severe some of its health problems are. For example, the document reveals that one third of London's secondary school pupils are eligible for free school meals. That is a hugely high figure for the end of the 20th century. According to definitions that I did not devise, the number of London people living in poverty rose from 14 per cent. in 1983 to 24 per cent. in 1992. Some people are in a worse financial and social position than a decade ago.

As the Secretary of State noted, indicators of homelessness, of domestic violence, of the numbers of people out of work, of those claiming income support, and of the numbers of families in which no one is in work and 324,000 children belong to such families—all show the social context of the work of the NHS in London. People must have the best opportunity to achieve the best health. We can begin to understand the pressures when we discover that two thirds of the asylum seekers and refugees who come to Britain come to London.

The Government, and their predecessor, rightly tried to define public health priorities. Three of those priorities relate to premature deaths, and are hugely important in London. Those priorities are to reduce the number of deaths from cancer; to reduce the number of deaths from heart disease, strokes and related diseases, which in large part are activity-related; and to reduce the numbers of suicides, and therefore the incidence of the mental illness that leads to suicide.

Although cancer mortality rates for people under 65 are falling, in Greater London and elsewhere, my experience is that huge numbers die from cancer in London who, with early detection and treatment, would have survived. A friend of mine died in that way last year, five or six weeks after first diagnosis. He left a teenage son, and his is one of the tragedies that all hon. Members would want to prevent.

Such problems are not outside our control. Politicians with the right social policies can resolve them. I hope that we are united in our determination to ensure that people's chances of surviving are improved. That is a bigger task in London than anywhere else in Britain. I pay tribute to the Government for having that commitment. I shall support them and work with them to deliver on it, although I shall also have a go at them when I think that they have got targets or priorities wrong, or when they do not deliver as they should. However, I hope that all hon. Members share the same goals and motivation.

I hope that Ministers will consult members of the Opposition parties—perhaps outside the House—to agree the figures and indicators used in annual reports. That would ensure a common basis for information. Debates such as this are often bedevilled by the political manipulation of statistics. Independently audited statistics—for example, about waiting lists, and so on—would ensure that we do not have to argue about their accuracy.

Three elements in the national targets require continued effort. The first is general health. We can reduce the number of people who become ill from circulatory diseases by reducing accidents, improving public transport and cutting air pollution. Above all, society should encourage people to exercise, walk and cycle, rather than be increasingly less active as they grow older.

Obesity and inactivity are bad for health, but increasingly evident. That is why it is important to try to cut out unnecessary car journeys, to encourage people to take their children to school on foot, and so on. If children are encouraged to walk or cycle to school, or if adults are encouraged to get to work on foot, or by bicycle or public transport, where possible, there is a direct effect on their chances of living longer. Such incentives, if got right, can lead to a huge reduction in death or illness rates.

Mr. Nicholas Winterton (Macclesfield): I have followed the hon. Gentleman's speech with interest, and consider that he has made some very good points. He has mentioned people walking or using a bicycle rather than driving. Will he say how that can be brought about? I hope that he will not suggest compulsion, or that people should be dictated to, as I think that setting an example is a more appropriate approach.

Earlier in his speech, the hon. Gentleman mentioned the tragic case of a friend who died of cancer within five or six weeks of diagnosis. I hope that he is not suggesting that that person would have been saved if he had been screened earlier and the disease identified sooner. It sounds to me that that was a case of terminal cancer, and it would be grossly unfair to lay his friend's death at the door of the national health service.

Mr. Hughes: The hon. Gentleman is very experienced in these matters, and is right to raise those points. I agree about the need to use example rather than compulsion, but I also think that there is a place for incentives. My hon. Friend the Member for Sutton and Cheam (Mr. Burstow) was deputy leader of Sutton council when it introduced

an incentive to its work force to travel to work by bike rather than by car. That incentive was a travel allowance, and has become part of good practice. There are all sorts of other practical options, such as providing enough secure cycle racks for cycle users.

I do not blame the health service for the death of my friend. His name was Dave Clark: he was the editor of my local newspaper, and the Minister for Public Health, whose constituency includes Dulwich, knew him too. He died in Guy's hospital, which did a wonderful job on his behalf. However, although it is not possible to screen people at every moment throughout their lives, the chances of disease taking hold could be reduced if people checked their health more commonly, for instance by having their blood pressure checked at work regularly. My brother did not know that he suffered from high blood pressure. He had a stroke at work. It is not certain, but that stroke might have been prevented had there been a routine way of checking blood pressure at his workplace.

The second matter about which I want to speak is sexual health. One of the real challenges in London is to improve the sexual health of people, including young people, and to reduce unwanted and unintended teenage pregnancies. The health action zone in my part of the world has that specific intention, but there are worrying signs. The number of young women who become pregnant at a very early age is still very high, which indicates the need for proper sex education. Another worrying sign is the upturn in the incidence of HIV and similar conditions as a result of unsafe sexual practices.

In a capital city as cosmopolitan, varied and diverse as London, we must use public health promotion opportunities to tackle those problems head-on. Some people may find such methods of communication embarrassing, but more would find them effective.

Thirdly, the Turnberg committee was clear that London's mental health services are the highest of priorities. I welcome that clarity. The committee made two specific points in its recommendations. The first was that there must be minimum standards for mental health services, applicable across London. Those standards should cover maximum waits for appropriate residential care, the speed of response of community teams and the availability of 24-hour support services.

The Government have allocated some money for such services, but I hope that the Minister, when she replies to the debate, will say whether there is a target date by which facilities for people with mental health needs throughout the capital will be available on a 24-hour basis. Those people need to know that such a service does not close at 6 pm, but is available around the clock. There can be fatal consequences if such people are left to struggle on their own with their depression or with the pressures that they face.

The Turnberg committee also recommended that there must be intermediate care facilities with beds for recuperation, rehabilitation and respite care. For those who look after those who suffer mental illness, schizophrenia or depression, or for those who suffer it themselves, somewhere to go for a day or two can be necessary. People need to get away from the madding crowd to be able to recover in calmness. We need community beds as well as acute beds, the type of beds that many constituency hospitals used to have, but have been closed. I do not mean high-intensity or high-dependency beds; I mean low-dependency beds which give an opportunity to get away and to seek asylum—in the proper sense—from the pressures of the capital.

On resources, the hon. Member for Rutland and Melton rightly talked of the deficit in the health service at the beginning of this financial year. The Chief Secretary to the Treasury said about a year ago, when he was Minister of State, Department of Health, that there should be no deficit this year. Yet Redbridge and Waltham Forest health authority starts the year with a deficit of £1 million; East London and the City has a small one; Kensington, Chelsea and Westminster has a deficit of £750,000; Croydon has one of £3.5 million; and Kingston and Richmond one of £2.75 million. After two years of Labour Government, London's health authorities are still in significant deficit.

That means that, at the start of the year, money must be found out of the budget intended for front-line services. Among the trusts, University College has a deficit of £3.5 million; Chelsea and Westminster, £3 million; St. Mary's, Paddington, £6 million; and Richmond, Twickenham and Roehampton, £4 million. Trusts and health authorities cannot manage and reduce such great sums if the funding system provides no money from the Treasury to pay them off and no other additional resources.

Ms Karen Buck (Regent's Park and Kensington, North): The hon. Gentleman mentioned St. Mary's hospital, Paddington. The current deficit there was discovered some months after the general election, having been in the system for years without anyone knowing. One can ask how that happened. Undoubtedly pressure was applied before the election to ensure that the scale of deficit was not public knowledge.

Mr. Hughes: I do not dissent from the apparently valid first point. However, I hope that the hon. Lady will agree that, no matter how deficits come about, when it comes to running a trust and delivering services at a place as important as St. Mary's, a deficit of that size requires someone to come to the rescue; otherwise, the trust is left simply paying off the overdraft rather than paying nurses or carrying out care.

Turnberg recommended a review of resource allocation funding. The Government's annual report adds that the advisory committee has concluded its work and changed the relevant formula. The changes look good, although I am not able to say whether they are enough. It would be useful if annual reports set out the cash effect of the changes. Who wins and who loses? Whether for health, transport or local authorities, the formula is often the key. If the formula is wrong, the service suffers badly.

Can the Minister tell us whether the weighted capital has been adjusted to reflect the burden of mental health need in London following the Turnberg recommendation? Turnberg said that more money was needed. If that has not yet happened, when will it?

London is under huge staffing pressure. The report tells me neither how many staff we have nor how many vacancies there are. I know that there are many vacancies for nurses, doctors, midwives, health visitors, health professionals and hospital ancillary staff. We are also losing general practitioners. We do not have enough of

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them—many GPs are coming up to retirement age—and Turnberg recommended that something be done to recruit enough. London is short of dentists, and the report says nothing about what is being done to ensure access for everyone to an NHS dentist. We have lost many school nurses, and we do not have enough counsellors, an important part of the health service professional family.

Pay matters hugely. The hon. Member for Rutland and Melton rightly asked the question that I had asked the Health Secretary on Tuesday about NHS pay. It is no good the Health Secretary blaming the management of trusts and saying that they may receive their P45s if staff are not paid until September. Having announced the pay increase on 1 February, the Minister of State wrote to me on 4 May, saying:

"The Advanced Letters promulgating the pay increases for 1999-2000 were issued to the National Health Service on 12 March 1999 for hospital doctors and dentists, and on 8 April 1999 for nursing staff, midwives, health visitors and professions allied to medicine."—[*Official Report*, 4 May 1999; Vol. 330, c. *361*.]

If people were not told until 8 April that they could pay the money, it was not surprising that it was not in many pay packets by 30 April. The Government, not the trusts, gave that authority.

The Minister for Public Health might tell her colleague that, in addition to speedy action by trusts, the Government must press the buttons when pay awards are announced. Nurses have told me how disheartening it is to be told that they are valued and loved, but that no one is sufficiently bothered to make sure that they get the pay increases that they may desperately need.

Ms Linda Perham (Ilford, North): I have listened as the hon. Gentleman has outlined the problems associated with nurses' pay, dentists and doctors in trusts and health authorities, including my own Redbridge and Waltham Forest health authority. I am sure that he appreciates that the Government have put billions of pounds into the health service, so what solution does he offer to all the funding problems?

Mr. Hughes: That is a perfectly valid question, and I have some proposals to make. I always try to put my own suggestions on the table.

First, however, let me deal with two other troubled sectors. Junior hospital doctors are at risk. I attended a national forum in Bath the other day to talk to junior doctors who feel undervalued and under pressure. It is hard enough to get into medical school. If people come out feeling that the health service does not want them, they will go abroad or into employment in the private sector and our huge investment in the cream of the cream will be lost.

We need more training places, and the Secretary of State is alert to that, but we must also ensure that junior doctors do not believe that they will be abused by having to work too many hours. I do not want to repeat the debate about why the Government proposed a 65-hour limit when they say that they want a 56-hour limit, although it seems to me that something has gone badly wrong. We must correct the message by saying that that proposal has been withdrawn. Until they hear that that is so, junior doctors are right to believe that there is a risk that they will be asked legally to work more than 56 hours and up to 65.

The third area in which something must be done is general practice. Turnberg said clearly that the number of GPs in London needed to be increased to match numbers in the rest of the country. As the hon. Member for Ilford, North (Ms Perham) may know, we have far fewer doctors per head of population than all other European Union countries, bar one. If we are to have a proper health service, we must have enough doctors.

I have suggested before how we might achieve the right number of health service staff, but I shall repeat my ideas. We could offer bursaries to people to work in the health service, as used to be done for people entering the services or signing on to work for ICI. We could offer a deal, helping people through training in return for several years of service. We could offer loyalty payments to those who stay in the health service rather than deserting for richer pastures.

The regrading proposals being considered by the Government would allow people to be graded at higher levels and paid more while still undertaking hands-on professional activity. We could offer incentives for returnees, not simply saying that they will not have to pay for training, but giving some additional half-year payment if they return for three to five years.

Finally, the Secretary of State was right to say that strategic provision of accommodation for health service workers in London would replace the lottery of being unable to find anywhere because a nurses' home has been abolished. I suggest that the Housing Corporation could be asked to provide, through a housing association, something that might provide corporate housing for the NHS across London. To be honest, some of the hospitals are so near each other that they do not each need their own staff accommodation; but sufficient provision in the right places is needed.

Finally, from the viewpoint of patients, I come to the issue of waiting lists. As the Secretary of State said, waiting lists have come down. However, waiting times have not. The number of people who wait more than 12 months is still in its thousands. Although there are now none waiting over 18 months—nor should there be, because it was a patients charter obligation that there should not be—when will we have a guarantee that no one will wait more than 12 months either between seeing his doctor and seeing his consultant or between seeing his consultant and being treated?

The regional figures for London are still bad news. I have the North and South Thames figures rather than the new London regional figures. Since Labour came to power, there has been a 77 per cent. increase in North Thames and a 112 per cent. increase in South Thames—up from 43,000 to 76,000 in North Thames and from 26,000 to 55,000 in South Thames—in those not seen by their consultant for 12 months or more after having been seen by their GP. In other words, the number of those waiting for a consultation has effectively doubled since Labour came to power. That is no good. It is no use telling a patient that the time between seeing the consultant and getting the operation has been reduced if the time the patient has to wait to see the consultant has doubled. Both waiting times must be considered together. Resources are required to tackle both at the same time.

Cancelled operation numbers remain high—when people are told on the day or the day before that they cannot be admitted—and need to be tackled.

Mr. John Wilkinson (Ruislip–Northwood): Will the hon. Gentleman give way?

Mr. Hughes: I will not give way only because I am aware that the hon. Gentleman and others may wish to speak and because I have taken a couple of interventions.

The Secretary of State, rightly, introduced a review of beds and we applauded him for it. He tells me that work is being done and that he will return with proposals. Turnberg was clear in saying that we had no excess number of beds in London. We were pleased to hear that because the previous report suggested that there was. Yet, since the Government have come to power, we have lost 651 beds in acute, geriatric, learning disability and maternity provision. We have lost 16 maternity beds, six learning disability beds, 85 geriatric beds and 569 acute beds. As far as I am aware, only mental health beds have increased, by 116. If Turnberg said that we did not have enough beds, for a Labour Government two years later to deliver 651 fewer beds is not to solve the problem. I am prepared to wait a few months for the Secretary of State to come up with a considered view, but he will not honour any implied or expressed Labour party commitment to save the NHS if the Government do not provide the beds we need—not for those who are being dealt with as day-case patients, but for those who need them.

Mr. Clive Efford (Eltham): I should like some clarification of the figures. An extensive building programme is taking place which will result in an increase in the number of acute beds on those that currently exist. Are they included in the hon. Gentleman's figures?

Mr. Hughes: I quoted from parliamentary answers to me about the number of beds when the Government came to office and at the last date when that number was recorded. Obviously, the figures do not include beds that do not exist yet. I accept that there is a building programme and that more beds will be provided, but that is no consolation to a patient who needs a bed now. Therefore, my question is: how are we dealing with the current shortage and when will we make up the shortage, let alone have the additional beds that we need?

On the provision of in-patient services, not only do we need more beds generally, but we specifically need staffed beds for mental health—another Turnberg recommendation—and to ensure that we get the reorganisation of services right. Some of such improvements will be brought about by the new planned Greenwich hospital in the hon. Gentleman's part of the world.

One of Turnberg's proposals is that no A and E department should treat more than 100,000 admissions, based on a report by Professor Browse. Turnberg went on to say:

"Closures should therefore only be planned where access to patients is not compromised, the number of patients attending remaining A and E departments is not so large that it overwhelms the staff and accommodation, and the number of beds available is sufficient to cope with the increased admissions."

There may be different views about who did what to the health service in terms of A and E provision, but—the Minister, more than anybody, will be aware of this—the Government's decision to confirm the proposals of the last Government, which they need not have implemented, to close the A and E department at Guy's was probably the most unpopular decision that the Labour party has ever made for my constituents. Certainly, it has meant that the Labour party is viewed with much less credibility in my part of the world. Given that the decision has now been made, which clearly my constituents, including Labour councillor colleagues, and I opposed, what is the procedure for making sure that the alternative facilities at St. Thomas's can cope? I have seen nothing to suggest that there will not be more than the upper limit recommended of 100,000 admissions a year having to be treated at St. Thomas's, however good the staff are. We cannot take a gamble on other hospitals being able to pick up the pieces when, for example, we close the A and E department at Guy's.

I shall conclude with a list of proposals. First, for those who are mentally ill and who have a history of violence to themselves or others, please may we have a named professional responsible for co-ordinating their care? In so many cases, the health service, social services, housing department or local authority have all been doing their own thing. Somebody must take responsibility for those people.

Mr. Nicholas Winterton: Is that compulsory?

Mr. Hughes: It is not, but, where a person has such a history and convictions, somebody needs to be held to account to ensure that that person lives in a place where he does not disrupt the neighbourhood, where he has the drugs and takes them if necessary, where if he needs to be readmitted, he will be readmitted, and where if an order needs to be served on him, it will be served. Far too many, although not huge numbers, of such people are wandering around and, regularly, some people are killed and others are threatened and injured by them. I hope that the Government can agree to that straightforward proposal.

Secondly, may we have a system in place so that, if people are troubled by the advice or service given by a GP, they have a right to a second opinion from somebody who might be designated a GP consultant in their area? Many of my constituents have been unhappy with their GP. It is difficult to change one's GP and it often takes a long time to do so. A patient may not want to change his GP, but may just want a second opinion.

Thirdly, may we have a similar system for in-patients? Over the years, a stream of constituents have said that they felt uncomfortable and did not feel that their relative was being treated properly. In every hospital, at every hour of the day, there should be somebody on duty, possibly not employed by the health service, to whom in-patients, friends or relatives can go with their complaint or concern. That person should not be directly involved in the care of the patient. A complaint system that does nothing for six months makes people angry, impatient and frustrated. It may also come too late. A system that deals with complaints there and then would be far more responsive.

Fourthly, may we have a regular review of transport services to and from hospitals? In Sutton and surrounding areas, the local authority linked up with the health authority and the trust to make sure that the buses ran from where people lived and shopped to the hospital at

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the appropriate times. It is no good buses stopping at 6 pm. They need to run during visiting hours in the evening and at the weekends, so that people have access to the hospitals. Fifthly, can we concentrate on improving the waiting areas of many of our hospitals? They are grimness exemplified. A lick of paint and a little money would improve them.

In conclusion, there are lots of big issues coming down the tracks. There are questions about whether London will be prepared for the millennium, and about ensuring that we have primary care groups coterminous and working with local authorities. Our views, however, are these: as soon as possible, there should be a democratic regional tier for the health service in London and we hope that London regional government will be given that responsibility; as soon as possible, there should be a merger between health and social services to reduce management, improve co-ordination and the delivery of services; and all the parts of the health service should be brought together, so that the range of services—from self-medication to NHS Direct, the local chemist, the clinic, the surgery and the hospital—are seen to be part of a family of services to be drawn on, depending on the acuteness of one's need.

However, there must a real growth in the resources allocated to our health service—a growth in the share of the gross domestic product devoted to it—so that we can reach the same levels of care as comparable countries. Without that growth, we shall always struggle. There must be a real growth in the number of staff, who can be paid for from the growth in investment, and a real growth in accountability. We probably have the best health service in the world, but it could be very much better. The people of our capital city want that, and they are asking for it urgently.

3.10 pm

Mrs. Eileen Gordon (Romford): It would be impossible to discuss the modernisation of the national health service in London without first talking about why we need to modernise. I shall talk about acute services, because that is where I gained the little knowledge that I have on this subject. I shall talk particularly about Oldchurch hospital in Romford.

I have campaigned to save Oldchurch hospital services for at least the past 10 years, on and off. Before that, I tried, with others, to save Rush Green hospital in Romford, but the previous Government sanctioned its closure and the land was sold off. That land would have been the ideal site for a new hospital for the people of Barking, Dagenham and Havering. We suggested that at the time, but no one listened, and that opportunity has now gone.

When I tell the House that we campaigned to keep the accident and emergency department at Oldchurch, I must expound on that a little because it was a splendid campaign. We did not have the resources—the people or the financial resources—of the Bart's campaign, but we cared as passionately about our hospital and we certainly made a great deal of fuss. Every Saturday for about two years, we had a stall in Romford market. We took thousands of postcards to the regional health authority. We held candlelight vigils, and circled the hospital with about 700 people linking hands. We visited one regional health authority with our arms in slings—which was a bit embarrassing when the tea lady insisted on helping us with our cups of tea.

Our campaign, supported by the local press, touched every family in our community. We even had a mascot, which bore a striking resemblance to the right hon. Member for South-West Surrey (Mrs. Bottomley), the then Secretary of State for Health. It was made on the guy principle, although of course it was a gal. She went everywhere with us—on the stall, up to London in a wheelchair, on candlelight vigils. The trouble was that she was stuffed with paper and her legs just grew and grew. In the end, to get her into a car, we had to wrap her legs around her neck. She was in a sorry state—like the national health service under the previous Conservative Government.

Certainly Oldchurch hospital, with an uncertain future hanging over it, was also in a sorry state; no money was spent on it and little maintenance was carried out.

Ms Perham: I should like to pay tribute to the campaign for Oldchurch hospital with which my hon. Friend was involved over many years in the constituency that she serves with such distinction. Does she agree that it is important for us to achieve effective co-ordination and planning of hospital services throughout London, so that the viability of existing hospitals, such as King George hospital in my constituency—which most of my constituents use—is not at risk?

Mrs. Gordon: I entirely agree with my hon. Friend; I shall deal with that point later in my speech.

At the time of the campaign, I was a member of the community health council when we were invited to see the cockroaches in the nurses' home—not a very edifying sight. By 1997, the staff of the hospital were demoralised and everything was in limbo. However, the campaigners did not give up because we knew that we were right.

During the general election campaign, I never promised that we could save the Oldchurch services, but I did say that the only chance was a change of Government, and so it has proved. Early on, the Labour Government set in train the review of London's health services. The Turnberg report confirmed what members of our campaign group had always known—that the general hospital should be at the heart of the community at Oldchurch and that, furthermore, we should have a new hospital.

We now await the decision to go ahead with the project and, yes, I am impatient about it, but I have already waited 10 years and am prepared to wait a bit longer, because I know that we have a good scheme. However, I have to say that I am waiting for the decision with everything crossed and that gets a bit uncomfortable, so I do hope that it will be announced shortly.

In the meantime, the buildings are old and old-fashioned. The staff are working their socks off to provide a first-class service in third-class buildings. I was therefore extremely pleased when the Government awarded £748,000 to improve the accident and emergency service until the new hospital is built. I have always believed that a minor injuries unit should be part of any accident and emergency department, and I am glad that that is one of the uses being made of the money. It always

made sense to me; I thought that keeping people with minor injuries at the back of the accident and emergency queue was daft, and that it would be best to treat them quickly, so that they could go home rather than hang around for hours waiting for minor treatment.

The hospital will also improve the children's accident and emergency services, providing an additional treatment area. It is important that young children should not have to suffer the distressing sights in adult A and E departments. There will also be an out-of-hours primary care service, where patients can get advice or treatment from a GP. There will also be an observation area with six beds, which, we hope, will speed up ambulance turnaround and free up trolleys in the A and E department. When in place, those Government-funded strategies will transfer to the new hospital, because they are mainly about new ways of working and not so much about bricks and mortar. They will greatly improve the services given to the 90,000 patients who attend Oldchurch A and E department each year.

The staff have been involved in developing those ideas, just as they have been involved in working up the plan for the new hospital. Their input will be invaluable in ensuring that the new hospital will really meet the needs of its population in the new millennium. In the meantime, the Government money will help to ensure that patients get the best possible care.

I have highlighted one hospital and one modernisation scheme, but the most exciting aspect of the changes that are taking place is that, from Turnberg onwards, we are considering London as a whole and planning service provision across the whole capital. A few years ago, we saw the horrible spectacle of hospitals poaching patients and competing for contracts. Hospitals were seen as a commercial threat to one another. It was appalling. The new ethos of partnership and co-operation instead of competition will bring great benefits for Londoners using our hospitals and for all those marvellous people who work in them.

3.18 pm

Mr. John Randall (Uxbridge): I am pleased to follow the hon. Member for Romford (Mrs. Gordon) and to hear about the campaign that she has undertaken over the years. Later in my contribution, I shall touch briefly on some issues that affect local hospitals in my health authority. I am grateful for the opportunity to speak in this important debate as it enables me to air my concerns and those of some of my constituents regarding the national health service in London.

I begin by paying tribute to all those who work in London's health service—the doctors, nurses, midwives, health workers, support staff, managers and members of the ambulance service. They succeed in delivering a remarkable service, despite the many constraints and problems that they face.

That the national health service has a unique place in the public's affections is in large measure thanks to those who work in it. The NHS in London provides a service to the 7 million people who live in the London area, to the 1 million who work here and to those who come specifically to London for treatment. London is also a major centre of academic excellence and research, which contributes to health care both nationally and internationally.

The NHS celebrated its 50th birthday last year and, like most 50-year-olds, it has witnessed many changes since its birth in 1948. It now faces new challenges and new problems. Changes in demographics and technology have fuelled ever-rising expectations; for example, people now live an average of two years longer than they did in 1979. Increased longevity, combined with changes in public expectations of what the health service can and should do for them, ensures that the demand for health care continues to outstrip supply. Since its inception, the service has faced that basic, inescapable fact.

We must question the idea that once, long ago and lost in the mists of time, there was a golden era of the NHS, when everything ran perfectly and there were no problems. My first memory of Hillingdon hospital, Uxbridge dates back more than 30 years, when, as a schoolboy, I arrived at the accident and emergency unit with a broken wrist one Saturday lunchtime. More than eight hours later, I finally saw the consultant and the wrist was set. Such delays were by no means unknown in those days, but expectations were not so high then.

Today, the existence of those expectations and the ever-accelerating and extremely welcome advances in medical knowledge and treatments drive the need for modernisation of the NHS, because the NHS must do more, for more people, as cost-effectively as possible. That might lie behind the Government's welcome damascene conversion to the virtues of the private finance initiative. Any private-public partnership that can ease the pressures on the NHS is to be welcomed. Twenty-five of the 31 new hospitals that the Government plan to build are to be financed through the PFI—an ambitious programme that could go ahead only with private sector involvement.

Any new money is also to be welcomed, even though the Government's tendency to announce and reannounce the same sums at different times and places, while good for spin doctoring, has the effect of misleading the public and greatly irritating NHS professionals. The hyperbole that characterised Labour policy on health when the party was in opposition—the public were told during the election campaign that they had 14 days to save the NHS—has now been seen through. Last winter's cash crisis, to which an increasingly disconcerted Secretary of State admitted, combined with the waiting lists fiasco, which was a problem entirely of the Government's own making, started to test the public's patience.

It is true that the London trusts have achieved greater reductions in waiting lists than trusts in other parts of the country, and I am pleased to say that the Hillingdon hospital NHS trust has a good record on waiting lists. However, the drive to reduce waiting lists is a fundamental distortion of clinical priorities. None the less, that remains a totem pole for the Government: having spent a long time constructing it while in opposition, they are slavishly determined to continue to dance around it. Conservative Members argue that waiting times are more important than lists: how long one has to wait matters more than how many people are waiting ahead of one.

I was interested in a table that recently appeared in *The Observer*, in which the Hillingdon trust came top. Apparently, the trust issues the fewest anti-depressant drugs, although I have yet to ascertain from the chief executive the reason behind that statistic. As a great believer in looking on the bright side, I think that it is because we in Hillingdon and Uxbridge are inherently

[Mr. John Randall]

happy with our lot—as we should be, living in a pleasant suburb located somewhere near our great capital city, yet having access to some therapeutic countryside and green areas, which we guard ferociously. However, I recognise that many are not as fortunate as we are, and that there are parts of the borough whose residents might not recognise my description of the area. Those people must be a priority for the NHS in London.

I should like to draw attention to the problems that Hillingdon hospital encounters in the recruitment and, more important, the retention of nurses. However, I should be churlish not to welcome the introduction of NHS Direct, as west London has been in the vanguard of that innovative service. I wish it well; I hope that its progress will be carefully monitored and that improvements, if and when needed, will be implemented swiftly. I shall not refer in any detail to the Government's plans for the NHS set out in the Health Bill. We debated it earlier this month, and the Conservatives' opposition to it has been made clear. We think that the Bill will make the NHS more inflexible and more bureaucratic rather than help to modernise it.

Instead of repeating my objections to the Bill, I shall turn my attention to some specific problems associated with Hillingdon and the surrounding area. Some of the hospitals that I shall mention are located not in my constituency, but in that of my hon. Friend the Member for Ruislip–Northwood (Mr. Wilkinson), whose work in respect of these problems has been assiduous. I am sure that, if he has an opportunity to speak in the debate, he will flesh out the argument. Many people in my constituency feel strongly about these matters.

Without wanting to bore the House too much with my personal experience of Mount Vernon hospital in Northwood, or threatening to show any scars to back up my tales, I have to say that my association with that hospital goes back a long way. My experience usually accrued in the now-defunct accident and emergency department, where injuries sustained on the sports field were treated.

It might appear to be inconceivable and to require an act of faith to believe that I was at any time regarded as being athletic, but I assure the House that I have photographic proof. I have occasionally wondered when the decline in my athletic prowess occurred and, as I sat watching the Secretary of State today, I came to a sudden realisation. At a formative time in my life, when I was a young and impressionable student from Uxbridge, I resided in the right hon. Gentleman's constituency. Watching him stroke his beard today, I realised that, subconsciously and rather worryingly, I must have adopted him as a somewhat dubious role model.

The problems involving Mount Vernon hospital and the neighbouring Harefield hospital, Uxbridge are serious. There is a proposal to move the burns and plastics unit to either Northwick Park hospital, Harrow, or Hemel Hempstead general hospital. That has raised serious questions about the viability of the regional cancer centre at Mount Vernon, which works closely with the burns unit in its regular work and on general research. The cancer centre, the well-thought-of Gray laboratory and the plastics and burns unit have an excellent track record on breaking barriers in research and patient care.

The Secretary of State knows of local concerns about the implications for the future of the hospital without the burns and plastics unit. Thirty-seven local organisations, two community health councils and more than 80,000 local people have signalled their desire to keep the unit open and ensure the hospital's future. I pay tribute—I am sure that my hon. Friend the Member for Ruislip–Northwood will speak about the subject in more detail if he catches your eye, Mr. Deputy Speaker—to those groups, particularly Community Voice and its chairman, Mike Turner, and to the hard work of my constituent Mrs. Constance Evans, who, despite being in a great deal of pain, has been tireless in her efforts to bring these matters to the attention of all those concerned. Those people and many others cannot be ignored; it is, after all, their national health service.

An expert advisory group has been considering various options for the future. However, real concerns have been expressed about the group's objectivity and its seeming unwillingness to consider all the possibilities. I hope that the interrelationship between the plastic and burns unit and the cancer centre will be a paramount consideration. It is difficult to see how the unit's closure will mean anything other than a deterioration of local provision and a threat to a much-valued facility. Relatively modest additional capital funding would be required to modernise Mount Vernon's facilities.

In addition to the threat to Mount Vernon hospital, the fate of the internationally renowned Harefield hospital hangs in the balance. It is the largest transplant centre in the world. Thousands of operations are performed there, and doctors from 60 countries complete their training at the hospital and then take their skills back to their countries. Under the leadership of Professor Sir Magdi Yacoub, Harefield has become a world centre for lung and heart transplants.

The Government have said they recognise both the unique nature of Harefield and the fact that the interaction of science, research, teaching and services is its enormous strength. The Government also acknowledge that, if the Harefield team were split up, it would be very difficult to reassemble. I was heartened to hear the Secretary of State's earlier remarks about Harefield. I have drawn the attention of the House to the fate of both of those hospitals because of deep public concern. There is widespread local anger about the threats to their survival.

As I have said, my hon. Friend the Member for Ruislip–Northwood and neighbouring constituency Members from both sides of the House have campaigned assiduously for the retention and modernisation of both hospitals. I raise my voice—as I have done in the past—in support of that objective. I am deeply concerned that not only are the wishes of local people being ignored, but the whole process is being conducted in a far from transparent manner. Many fundamental issues should be considered, and I hope that the Secretary of State will ensure that the interests of the people of west London are prioritised above the demands and desires of bureaucracy and short-termism.

3.33 pm

Mr. John Cryer (Hornchurch): I was pleased to hear my right hon. Friend the Secretary of State refer to the new Oldchurch hospital with an air of imminence, which gave me the impression that it cannot be too far away.

I pay tribute to my hon. Friend the Member for Romford (Mrs. Gordon), who has campaigned for more than a decade to keep the hospital open. Without a shadow of a doubt, if the Tories had won the last election, Oldchurch hospital would have been closed and the accident and emergency department would have been shifted to Harold Wood hospital. That would have disadvantaged my constituents and those of my hon. Friend enormously.

I have quite a long constituency, which extends down to the River Thames. People from Rainham, which is next to the Thames, would have had enormous difficulty travelling to Harold Wood hospital by public transport. Oldchurch hospital is situated in the centre of the conurbation and it is much easier to reach, particularly for older people who travel by public transport. Its proposed closure was little more than an asset realisation: the previous Government planned to sell the land for the maximum price and to concentrate hospital services on those parts of the trust property that were worth considerably less.

We can thank the Labour Government for keeping the hospital open. However, I have some doubts, not about Oldchurch, but about some of the new hospital schemes. I have read in the past few months about the bed levels proposed under those schemes. I realise that the greatest bed reduction since the founding of the national health service in 1948 occurred during the 1980s, when there was a 33 per cent. reduction in the number of beds across all specialties in the national health service. The biggest single reduction was in the number of mental health beds, which were cut by 50 or 55 per cent. That is why, in the past few years, deeply vulnerable and sometimes dangerous people have been left to wander the streets without proper care and medication. The most notorious case was that of Christopher Clunis.

Some of the new schemes propose a reduction in the number of beds to eight or nine per thousand people. The traditional national health service standard is 13, 14 or 15 beds per thousand people. I am more than willing to recognise that technical advances have changed the situation considerably. However, what will happen if there is a winter crisis when many elderly people fall and break hips, legs and arms? If the number of beds is reduced—notwithstanding the huge technical advances—what will happen in those circumstances? I hope that the Minister for Public Health will answer that question when she replies to the debate.

I would like to touch on one or two local problems, the principle one being the shortage of speech therapists. I suspect that that is a national problem, but it seems to be particularly acute in Havering. The health trust covering Barking, Havering and Brentwood, which is responsible for primary care services and therefore for speech therapists, is starting to address the problem.

Dr. Jenny Tonge (Richmond Park): Does the hon. Gentleman agree that shortages are a problem common to all paramedical services in the NHS? There is a shortage of all the people who help doctors and nurses in their work. That is due primarily to the very low rates of pay, which the Government have failed to address this year.

Mr. Cryer: I agree that there is a shortage of people working in the NHS in all sorts of specialties. However, the shortage of speech therapists—which, as the hon. Lady pointed out, is a national problem—seems to be particularly acute in Havering. I am not sure why that is so. The local trust is beginning to address the shortage but, apart from pay, the root of the problem nationally is that we are not training enough speech therapists. We are probably not training enough physiotherapists and other specialists in those sorts of fields either.

Most of those who go to speech therapists in my area—and probably across Havering, Barking and Dagenham—are children who suffer from learning difficulties, attention deficit hyperactivity disorder, autism and other conditions. They are extremely vulnerable. After they have had speech therapy for a few weeks, their therapist disappears and they have to wait for another block of therapy. Those patients are placed in an increasingly vulnerable position. Parents of such children have told me that their children are enormously disturbed and distressed when the therapist whom they are used to is replaced after a few months. I hope that my right hon. Friend will turn her attention to that issue at the end of the debate.

I receive many complaints from older people about an apparent inconsistency in NHS treatment. I draw my right hon. Friend's attention to a survey conducted by Age Concern which was released on 9 April. According to the survey, one in 20 people aged over 65 has been refused treatment by the national health service. A further Age Concern report, by Professor Peter Millard, which was recently released, claims that hospitals could make 72,000 more admissions a year if health and social services worked together to provide comprehensive rehabilitation packages. I know that partnership is an important part of the present programme, but it does not seem to be as effective as I had hoped.

That point brings me to issues that are not directly associated with the national health service, but affect the way in which it works. I refer to living and working conditions. If we started to tackle those in a big way, we would begin to modernise the health service on an enormous scale. We can build all the hospitals and clinics that we like and set up primary care groups, but if we do not tackle conditions that allow, for instance, employers to take advantage of employees and disregard health and safety at work legislation, which in many cases is too loose, we will not achieve very much.

This year, for example, about 4,000 people are expected to die of diseases related to working with asbestos. That figure will go up, not down. An easy way to start to tackle the problem, at least for future generations, would be immediately to ban the importation of asbestos, tighten up on health and safety at work legislation and allow the criminal prosecution of employers whom the court views as criminally negligent; that is difficult to do at present. If we started to make such differences, we would make an enormous impact on people's lives, and relieve some of the burdens and pressures on the national health service.

Those who originally argued for the creation of a national health service and eventually achieved it—I refer to people such as Jimmy Maxton and Nye Bevan—certainly did not foresee a health service run by an enormous army of managers and bureaucrats appointed by the Tory Government. They foresaw a democratically run organisation controlled not only by those who used it, but by those who worked in it, and in the longer term, we should move towards that position.

3.42 pm

Mr. John Wilkinson (Ruislip–Northwood): I am glad that the hon. Member for Hornchurch (Mr. Cryer) referred to the need for a democratically run health service. A theme that I have come across throughout my political experience as a Member of Parliament in London is the gap between my constituents' aspirations and what the NHS is able to provide. The NHS bureaucracy is unwilling to accede to local people's wishes. The hon. Member for Romford (Mrs. Gordon) emphasised this when she spoke from her committed experience of 10 years of fighting for her local hospital, and made it absolutely plain how difficult it was to get the message across.

My hon. Friend the Member for Uxbridge (Mr. Randall), in a speech of great eloquence and force, again brought home our problems in the Hillingdon borough in ensuring that a strongly articulated and well-organised campaign is translated into effective action on behalf of local people by the NHS bureaucracy. To a large extent, it remains to be seen whether we have succeeded.

I shall touch on one or two themes to which the Secretary of State referred. First, London should be the centre for medical research. At Mount Vernon hospital and Harefield hospital in my constituency, pioneering research goes hand in hand with the most advanced clinical treatments—in cancer, burns and plastics at Mount Vernon, and in cardiothoracic treatments at Harefield. The Secretary of State said that it is important to combine research facilities and clinical services. I hope that his policies will bring this about at Mount Vernon and Harefield. He said also that local people want to have access to the highest-quality care. In west London, they have it at Mount Vernon and Harefield. The question is whether they will continue to enjoy it.

I am delighted that the Secretary of State announced again the £2 million of new resources for the second stage of the heart science centre at Harefield hospital. The centre is a monument to Sir Magdi Yacoub's pioneering work in heart and lung transplantation and cardiac treatments generally, and its work is recognised the world over, as is that of Harefield hospital, as my hon. Friend the Member for Uxbridge explained. The hospital is as excellent as it is because of the quality of Sir Magdi and his team.

My hon. Friend the Member for Rutland and Melton (Mr. Duncan) said that there was no asset more important to the national health service than the people who work in it, but he said also that the health service is more effective if there is a genuine partnership between the public and private sectors. We have this in the research work done at Harefield and Mount Vernon; Mount Vernon has important private medical facilities in the Bishopswood hospital, as well as the privately funded research which is conducted at the site.

I shall concentrate on the health service as it is perceived locally because that is how it is judged throughout the capital. It is only by the quality of service delivered to our individual constituents that we can make an informed judgment. In an intervention on the hon. Member for Romford, the hon. Member for Ilford, North (Ms Perham) said that, in the process of modernisation, we should not forget the potential for improving good hospitals. In essence, we should not put all our eggs in new baskets.

There is a drive in the NHS to create more and more brand new hospitals, funded by the public or by the private finance initiative. They have their role, and we welcome them where they are created, but they should not be built at the expense of centres of excellence that have been built up, in some instances, over generations, which still do pioneering work and could do even more such work for a relatively modest input of additional funding. I hope that the cautionary tale I shall tell today will have genuine relevance, particularly for building on success.

Mount Vernon hospital is the biggest cancer centre on a single site in the south of England. The Secretary of State has referred again and again to the importance of cancer treatment; it is at the heart of his strategy for the NHS. One wonders how he or anybody in the NHS bureaucracy could contemplate undermining a cancer centre of such strategic importance and excellence.

Undoubtedly, cancer treatment is enhanced if there are plastic surgery facilities on site, as there are at Mount Vernon. This is not a run-of-the-mill facility, but, with its burns unit and the research done at the site, a comprehensive one. It brings in a great deal of private capital and exciting research, particularly through the Restoration of Appearance and Function Trust charity.

This charity is recognised and appreciated in the House. Many questions have been asked in the other place about its future, and the all-party fire safety group appreciates its work. I must remind the House of RAFT's origins. They lie in the generosity of the consultant plastic surgeons at Mount Vernon who, from their own salaries, put money aside to fund research into plastic surgery and burns treatment. From that small acorn a mighty oak of research has grown, which is internationally recognised and greatly appreciated in the House.

So important is the burns facility that, when its future was called into question, I challenged the chairman of the then North Thames executive, Mr. Ian Mills, to a bet. Mount Vernon is ideally located for burns and plastics work by virtue of not only its complementarity with the cancer unit, but its location. It is in the same borough as Heathrow airport, quite near RAF Northolt and at a modal point of the M4-M1-M40-M25 network. Helicopters may also land there, which is important.

I hypothesised to the chairman of North Thames on the dire eventuality of a major air accident at Heathrow involving many burns casualties. I said, "We will go to Heathrow, you and I, in my car, pretend that an air crash has occurred, and time the journey to Mount Vernon as against that to Chelsea and Westminster hospital," to which Hillingdon health authority was at that time suggesting the burns and plastics unit should be transferred. I said that, if we could get to Chelsea and Westminster in a lesser time, I would give Mr. Mills a crate of champagne. Understandably, he did not take the bet because he knew full well that he had not a hope in hell of winning.

The health authority's incomprehensible proposal aroused huge hostility in the community. There was a series of so-called consultation meetings, which were a charade; the general public asked questions, but the bureaucrats refused to answer them. It was only by dint of massive effort that, in October, we persuaded the regional health authority at least to look again at the future of the burns and plastics unit. An expert committee was established under Professor Lessof. The committee is still

sitting and I believe that it is due to come to its conclusions today. We know that its favoured conclusions—my hon. Friend the Member for Uxbridge described them—are a move either to Hemel Hempstead or to Northwick Park.

I think that I have explained the importance of keeping the burns and plastics facility next to the cancer unit at Mount Vernon, but I should like to mention also the consequences for RAFT, which is a privately funded charity. Why should the donors, who have been so generous over the years, bear the cost of their unit being translated to Northwick Park? I know that a number of Mount Vernon's consultants have said that they are not against the move to Northwick Park and are quite sympathetic to the idea—but only as a second best, because they believe that NHS bureaucrats have prejudged the issue and are determined, whatever the arguments in favour of Mount Vernon, to ignore them and to see that the facility moves elsewhere.

Dr. Tonge: I am a little confused by the hon. Gentleman's argument. He seems to be saying that because Mount Vernon is a big cancer hospital—I will not dispute his claim that it is the biggest in the south-east, although the Royal Marsden might also make that claim—

Mr. Wilkinson: On a single site.

Dr. Tonge: That is as may be. He is arguing that the burns unit must be at Mount Vernon because it is a very big cancer hospital. Cancer is hundreds of diseases, but I can think of only a very small number of them that involve plastic surgery as a consequence. I cannot see the connection.

Mr. Wilkinson: Obviously, I defer to the hon. Lady's medical expertise, but, undoubtedly, both the cancer specialists and the plastic surgeons at Mount Vernon all agree that, time and again, reconstructive work following cancer surgery requires plastic surgery. It is just as fundamental as that. Although I do not belittle the hon. Lady's expertise, taking the burns and plastics unit away from Mount Vernon would undoubtedly diminish the scope of treatments available to assist cancer therapy.

Mr. Gareth R. Thomas: I share the hon. Gentleman's view that the intervention of the hon. Member for Richmond Park (Dr. Tonge) was not particularly helpful to those of us who are campaigning for the future of Mount Vernon hospital, but does he accept that the loss of its accident and emergency unit in 1996, against which I argued at the time, has already diminished its status and made it much more difficult for those of us who are fighting to secure its future, as has been put to me by many of my constituents?

Mr. Wilkinson: Of course the hon. Gentleman is right. I remember making a speech in this place 20 years ago in which I argued that the accident and emergency unit at Mount Vernon should be kept open at night. The then junior Health Minister, now the shadow Leader of the House, my right hon. Friend the Member for North-West Hampshire (Sir G. Young), agreed that it could and should be. A few years ago, however, health professionals argued that it was not appropriate to maintain such a facility, that there should be fewer, better-equipped A and E units in the country and that, in the interests of our constituents, we should accede to the proposed transfer. Against our better judgment, we went along with so-called professional opinion and, as the hon. Gentleman makes clear, the transfer diminished the range and scope of services at the hospital to the detriment of its longer-term potential. I accept entirely what he says.

As for the Hemel Hempstead hospital, it is interesting to note what West Hertfordshire health authority has suggested for its reorganisation of facilities. This is germane to the modernisation of health services in London. Mount Vernon is in a joint trust with Watford general, which is of course in Hertfordshire, so the West Hertfordshire hospital reorganisation programme has a direct impact on Mount Vernon, which straddles the Greater London and Hertfordshire border.

The West Hertfordshire review has hypothesised about, ultimately, a new PFI hospital on a green-field site somewhere in the west of the county. It has not specified where, but, if it were to be built, both Watford general and Hemel Hempstead would probably close. Furthermore, it has laid claim to the new hospital as the location for Mount Vernon's burns and plastics unit. The plot becomes even more complicated because the South West Hertfordshire community health council has officially refused to accept the health authority's proposals, and adjudication rests with the Secretary of State.

I must also mention the work of the Cleft Lip and Palate Association, which is another charity in a particularly important field of medicine for young children. The surgery involved is similar to plastic surgery. The association has always understood the merits of Mount Vernon's work and supported it. I went to its annual general meeting at the hospital only last week.

There is still doubt about the long-term future of Harefield hospital. The Government have conducted a review of cardiothoracic facilities in west London, and the options before us are that things should stay as they are, which would mean that Harefield, which is part of a joint trust with Royal Brompton, would continue in its present form, as I and all my constituents want; that its facilities should be transferred to the Royal Brompton; or that both hospitals' facilities should be combined in a new hospital in the Paddington basin.

Three or four weeks ago, I went to a meeting of the Harefield transplant club, which consists of patients who have had heart transplants and who meet for mutual support. They met at the hospital, as they always do. They were insistent on the merits of Harefield. The hospital is located in open country, in the green belt. It is an ideal location for a heart hospital and it has helicopter facilities, which assist heart transplantation. The work of the heart science centre has already been referred to in the debate. Those in the transplant club pointed out that, although after a heart transplant one is all wired up to machines, it is easy to walk about at Harefield and to go out into the garden. It would be nonsense to try to do that in the busy streets of London. I wrote to the Secretary of State, asking him to see a delegation of the Hamsters, led by me. I am still awaiting his reply.

My constituency contains two regional specialist centres of outstanding excellence, both of which are wholly unnecessarily at risk. They are at risk from some grand design which has been evolved by bureaucrats at a stratospheric level. There has been no effective dialogue

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whereby the wishes of local people might be acceded to. We are presented with a series of potential faits accomplis. Luckily, the ultimate decisions have not been taken. The Secretary of State has an opportunity to demonstrate that his actions match his rhetoric and that he believes that the modernisation of hospital facilities in London can take place rationally—building on success and improving good, existing facilities which have stood the test of time, namely, those at Harefield and Mount Vernon hospitals.

4.2 pm

Mr. Keith Darvill (Upminster): I welcome the fact that the debate is being held just two years after the general election which delivered an undeniable mandate to this Government to concentrate on the priorities of education and health. Today's debate provides an opportunity to review achievements, discuss progress on the recommendations of the Turnberg report and raise the health concerns that we all have. The debate helps us all to develop our understanding of the Londonwide health issues. More importantly, it will help us to improve care for those who need it in London and to make progress in areas that have not been addressed adequately in our great capital city.

London has lagged behind other United Kingdom and European cities in its lack of a strong citywide approach to health. In preparing for the debate, I have had cause to refer to the public health report, to which the hon. Member for Southwark, North and Bermondsey (Mr. Hughes) referred and which I commend to the House. The report is entitled "The Health of Londoners" and is prepared by the Health of Londoners project. It states:

"It is time for the health of Londoners to be put fully on the map."

That statement is right and that is what is being delivered by the Government.

The creation of the Greater London Authority—the Bill had its Third Reading last night—with an elected mayor for London and a single London office of the NHS executive provides unparalleled opportunities for the health and well-being of Londoners to be given the long overdue attention they deserve.

It should not surprise anyone that poverty, deprivation and social exclusion are the main features affecting health in the capital, as elsewhere. Although inner London seems to fare worst on many, but not all health indicators, the problems associated with poverty and social exclusion are distributed throughout the capital, even in the most affluent areas.

The hon. Member for Southwark, North and Bermondsey referred to a number of points raised in the report, and I want to add one or two important statistics for the record. A total of 940,000 adults in London—17 per cent.—receive income support and 750,000 receive housing benefit. Forty per cent. of the population live in electoral wards that are among the most deprived 10 per cent. of all wards in the country. There are many more statistics that demonstrate the extent of deprivation in London. Such deprivation leads to health inequality and premature death. The report states that the chances of dying before reaching 65 are almost twice as high in the most deprived areas of London as in the least deprived. That shows that the gap between rich and poor is increasing.

Those statistics were produced at about the time of the 1997 election and illustrate the circumstances that pertained during the Conservative Government. It is clear that, notwithstanding the protestations and assurances from the two Conservative Prime Ministers between 1979 and 1997 and the Health Ministers during those years, the health service was not safe in their hands. It is one of the main reasons for Conservative failure at the ballot box and why there are more Labour Members than Conservative Members in this Parliament.

In stark contrast, my right hon. and hon. Friends in the Department of Health have set about the task of modernising our health service with zeal. Hon. Members will be aware that there is no shortage of reading material and reports on health in London. The most important reference point and the base for this debate is the strategic review of the health service in London, prepared by Sir Leslie Turnberg.

In his letter to my right hon. Friend the Secretary of State dated 18 November, which is when he presented his report, Sir Leslie Turnberg said:

"We found a health service under pressure. Services across the whole spectrum of care, from those in the community and primary care to those in hospitals, were sorely stretched. Although the impact of these pressures was most keenly felt in the care of elderly people and those with mental illness, others were not immune from the failures to meet an acceptable standard of service . . . Furthermore, there is evidence to suggest that the pressures are increasing. Despite all this, healthcare workers are doing the best they can and we found examples of good practice, even in areas of severe pressure."

The report makes a number of recommendations, which the Government have accepted. I want to refer to two. First, there is the position of Oldchurch hospital, which has been referred to today by my hon. Friends the Members for Romford (Mrs. Gordon) and for Hornchurch (Mr. Cryer). The report recommends that there should be a new Oldchurch hospital, covering the whole of the Barking and Havering health area. I was pleased to hear the Secretary of State say today that it was one of the areas awaiting prioritisation.

It is important that the decision is made as soon as possible because there is a need to invest in a modern hospital for a modern health service and because of the circumstances of this case. A healthy partnership has been developing between the local authority, the health trust, the community health council, GPs and the five Members of Parliament representing the area covered by the area health authority. Many other decisions are waiting on the decision about the hospital. Community provision, GPs and primary care areas are all awaiting the decision which is, in many ways, the last part of a detailed jigsaw. There are firm reasons why the decision should be made as soon as possible.

The previous Government began to address primary care issues following the Tomlinson report in 1992. In many ways that was too little, too late. The London initiative zone programme badly underestimated the extent to which the previous Government failed in their first 10 years in office. At the time of the Turnberg report, LIZ investment was estimated to have been £265 million. Ultimately, the programme is estimated to have invested £402 million.

Page 33 of the Turnberg report states:

"Despite considerable investment in primary care services in the last few years, services lag woefully behind those in the remainder of the country—the number of practices below recommended standards remains high, too many premises remain poor, single-handed practices represent a larger proportion than elsewhere, recruitment is difficult and the total number of GPs has fallen slightly in the face of a rise across the rest of England."

That is the state of London's health service, at a time when London's population, for the first time in decades, is increasing.

In 1997, in my area, only 8 per cent. of the 124 GP premises in the Barking and Havering health authority were above required minimum standards. I therefore welcome the information provided in the Department of Health's progress report. On page 9, it describes the 73 major schemes that—a year after publication of the Turnberg report—have been completed. Nevertheless, much more has to be done, particularly in my health authority—which the Department's report states is benefiting from four major schemes. However, those schemes go only some of the way towards achieving the minimum standards described in the Turnberg report.

I enthusiastically support primary care groups, which are another major development. A primary care group has been established on the boundary of my own constituency, enabling me to work with doctors who are enthusiastic about the group's work. I congratulate Dr. Haider and Dr. Anthony, who are the group's co-chairmen and are working with the local community in a true partnership. I have attended one or two of their meetings, at which—I am able to report to Ministers—enthusiasm for the group's work was expressed.

People at the group have been telling me that they want to be left alone to get on with creating stability after all the reforms. Nevertheless, I am sure that primary care groups will deliver the rewards that we expect from them.

I believe that primary care groups will have a big influence in addressing some of the issues raised in the LIZ review. I was particularly interested in the review's comments on people attending accident and emergency units. At the North Middlesex hospital, for example, 67 per cent. of patients

"suggested that their reason for attending was because their GP surgery was not open."

The report also states that the London ambulance service was

"the primary carer for 85 per cent. of patients carried"

and that, overall, London ambulance service

"crews assessed that 13 per cent. of their calls were to patients who should have been dealt with by their own GP."

The statistics demonstrate the extent to which primary care groups, GPs and primary carers generally may help us to make better use of our resources.

The House will gather from my remarks that I am enthusiastic about the Government's reforms. London's health service is being modernised. There is still a long way to go, but—with the new primary care groups, new hospitals and the new investment described today—we shall certainly be improving the health service for the people of London.

4.14 pm

Mr. Paul Burstow (Sutton and Cheam): I should like to start by picking up on the comment made by the hon. Member for Upminster (Mr. Darvill) that there is still a long way to go in modernising and improving London's health service. I wanted to speak in the debate to highlight a few concerns that have been drawn to my attention in my constituency or that my constituents have raised with me in correspondence.

I should like also to touch on a comment made by the hon. Member for Hornchurch (Mr. Cryer). I should deal with that now, as I believe that he is about to leave the Chamber. He made a very important reference to Professor Millard's report and work on hospital discharge arrangements for elderly people. In that work, Professor Millard—who is a constituent of mine—has highlighted the fact that too many of our senior citizens are being discharged from hospital straight into residential care, whereas proper investment in rehabilitation services would have avoided the need for them to go into such care. We have to ensure that more work is done on the issue, to ensure that independence is promoted and that people may continue to live for longer in their own homes.

Professor Millard's work in targeting that issue complements very well the work of the royal commission on long-term care. I hope that the Government will soon be publishing their conclusions and recommendations on how to address that issue. We are growing impatient to hear how they will address it, and particularly look forward to reading the guidance, which is soon to be issued, on discharge planning. I hope that the Minister will be able to deal with the issue in her reply. I was also grateful to the hon. Member for Hornchurch for mentioning the issue, as it reminded me of that research.

I should like also to deal with the merger, in my area, of the St. Helier NHS trust with the Epsom Health Care NHS trust. Although Epsom is outside the Greater London NHS region, by dint of its merger with the St. Helier trust, it will be covered by the London region. I should like to address a number of issues that have arisen from the merger.

The first issue is the concern expressed—not least by the community health councils covering the new trust—that, at the end of its life, the Epsom trust, which no longer exists, had on its balance sheet a £2.7 million deficit, and that that deficit will be inherited by the new trust. The new trust has conceded that there are substantial cost pressures on its new budget, and that those pressures will impact on its ability to operate. Not the least of the pressures are those arising from the pay award, from the European working time directive and from year 2000 problems.

The deficit issue, and how it is handled, is a particular concern for me and my colleagues in the local community health councils. We are fearful that it will lead to "service reconfiguration"—which, too often, is a terrible euphemism for cuts—so that the new trust's budget may be realigned with the money that the health authority and the Government feel that the trust needs to deliver health care services.

Mr. Casale: It is understandable that the community health council, which is also the CHC for my area, will have some concerns about the merger of the St. Helier and

[Mr. Casale]

Epsom trusts, but my understanding is that it has broadly endorsed the merger. Does the hon. Gentleman generally endorse it? Does he—as he has mentioned thepotential £2.7 million deficit—also welcome the £3 million that the Government have made available for the St. Helier accident and emergency service in his constituency?

Mr. Burstow: Perhaps I should first clear up the matter of where St. Helier hospital is located. It is in the constituency of my hon. Friend the Member for Carshalton and Wallington (Mr. Brake)—who is unable to be here today, but shares a continuing interest and concern, as do the hon. Gentleman and I, about the provision of services at the hospital.

The hon. Member for Wimbledon (Mr. Casale) was right in saying that the community health council, with caveats, indicated its support for the merger. I, too, have been a supporter of the merger—not least because of the need to reach critical mass in being accredited by royal colleges, and all of the consequences that flow from that, so that the hospital is viable and able to operate. I also welcome the long-overdue, but much-needed investment in our A and E department, so that it is able to address the issues, especially at winter crisis time, that seem to have become an element of the way in which the health service operates. However, Epsom CHC is also concerned to ensure investment in the A and E department to secure the long-term future of Epsom hospital. Anything that the Minister can say about that would be greatly appreciated.

Both CHCs have real concerns about service reconfiguration—or cuts. I hope that Ministers will give further consideration to that today. I hope at least that the new London region will do all that it can, together with the two health authorities that cover the new trust, to ensure a soft landing in managing to bring the budget into line with the resources that will be made available to the trust over the coming years.

The problems in the local health economy in my area and in the constituency of the hon. Member for Wimbledon are exacerbated by the deficits that the health authority has had to grapple with over recent years. A recovery plan is in place to bring that budget into line with the Government's target for health authority spending. I dislike the language of targets and recovery plans, because it disguises the way in which budgets are being reduced. That will make it more difficult for the new trust to bed down in the way that many of us, including the people who rely on the services, would like.

Two other concerns arise from the merger. The first is that the two hospitals are several miles apart and the public transport between them is very poor. The local CHC in my constituency undertook some research and found that it would take about four hours to travel by public transport from St. Helier hospital to Epsom hospital and the journey would cost up to £7. As the services of the two hospitals are brought together and economies of scale are achieved, there will be concerns that people will have to make the journey to secure the treatment that they need. My hon. Friend the Member for Southwark, North and Bermondsey (Mr. Hughes) rightly referred earlier to the work that my local authority has done with the local health service to promote better bus services. I am keen that my local authority and the local health service should undertake the necessary work now to establish good public transport links between the hospitals to make the trust a reality in the local transport infrastructure.

The second issue is that the trust straddles two NHS regions and two health authorities. The London region will take the lead in overseeing the new trust, but there are concerns among those who represent the interests of patients that the trust may not do so well out of that arrangement, particularly in the Epsom and Surrey area. Anything that the Minister has to say about how the London region will deal with a trust that is not part of its area would be helpful.

I had an opportunity just two weeks ago to lead a deputation of the two local community health councils to see Baroness Hayman. She was very constructive in our dialogue and I was grateful for the meeting. As a result, several messages have been sent back to the trust and the health authority. We look forward to a good on-going relationship between the CHCs and the new trust.

There are two other issues to which I wish to refer arising from my mailbag and representations that I have received from constituents: chiropody services and multiple sclerosis. I regularly attend meetings of the Sutton seniors forum, which recently received a presentation on the joint investment plan being drawn up by the local social services department and the health authority on issues related to ageing and services for elderly people. A well-resourced chiropody service is a key to promoting independence, particularly among elderly people, and unlocking resources that would otherwise be used in acute services and other parts of the care system. The pressures for cost savings are undermining the service, increasing waiting times and restricting the nature of the service that is provided to my constituents and others. Those false economies result in greater costs in the local health and social care economy in my area and in other parts of London.

The need to improve and extend foot care services was not referred to specifically in the Turnberg report, but community health care services were referred to in detail. Although I strongly welcome the merger of the Merton and Sutton Community NHS trust with a number of others to create a new south-west London trust and some of the economies in management costs that should arise from that, I am concerned that the merger may lead to a loss of focus on local situations, not just at borough level, but at individual level. It is essential that the reorganisation of the management structures of health services does not result in the loss of the local connection and focus on delivering appropriate care and treatment. Investment in foot care services must not be overlooked in my constituency or more widely in London. I hope that the Minister will be able to say something about that.

I was fortunate to have an Adjournment debate on MS in February, so I shall not talk about it for too long today. The treatment of MS should be about more than just prescribing beta interferon. It must be set in the broader context of neurological services. A survey last year by the Association of Quality in Healthcare found that 46 per cent. of health authorities did not have service plans or adequate information on which to base plans for tailoring services for those who suffer from MS—rehabilitation services, continence care and many others.

There are only 400 neurologists in the country—the same number as in the city of Boston—and just 58 specialist nurses. At present, 95 per cent. of patients with

neurological conditions such as Parkinson's disease, Alzheimer's and MS are cared for by their GP, not through neurological services. Such degenerative conditions all too often lead to costs falling on social care, when health care would be more appropriate.

The MS drug therapy that we hear about all too often, with debates in this place about rationing, is not the be-all and end-all. However, since 1995, NHS guidance on relapsing and remitting MS has encouraged prescribing beta interferon in the context of advice from neurologists. In too many cases, even when neurologists advise and recommend its prescription, it is not made available. Constituents have written to me to express concern about long waits.

Two weeks ago, the NHS regions were given new guidance on beta interferon that they were about to issue, but it was not issued. I understand that it would have cast doubt on the prescribing of beta interferon, particularly for secondary progressive forms of the condition. During my February Adjournment debate and during Health questions in April, Ministers declared their intention to refer beta interferon to the National Institute for Clinical Excellence. Why was it necessary to issue new guidance when NICE is being set up to give the Government proper advice?

NICE's work on beta interferon is only part of the picture. We need a national neurological services framework. Will the Minister be able to tell us when such work might be undertaken, so that all the issues can be brought together and dealt with systematically?

I have brought these issues to the attention of the House because they are of concern to my constituents and many others in London and have been highlighted in my correspondence. We value and welcome the progress that the Government are making in some areas, particularly some of the additional resources for A and E, but, as others have said, there is still a long way to go to secure the NHS services that we all want.

4.29 pm

Mr. Roger Casale (Wimbledon): I welcome the opportunity to comment on the Government's plans for modernising the health service in London. I should like to report to the House and to the Minister the progress that is being made in my constituency and in Merton, Sutton and Wandsworth health authority to rebuild the national health service in south-west London and equip it to meet the health challenges and demands of the 21st century. That is happening in the context of wide-reaching demographic change, but in the knowledge that the Government are committed to giving the British people the health services that they need and deserve.

We inherited from the Tory Government a health service that was underfunded and demoralised, fragmented and inefficient and in which competition for scarce resources between different parts and sectors of the health service threatened to undermine the core values, principles and ethos of what was a truly national service and the envy of the world. In just two years, the new Labour Government have put in place a framework for massive year-on-year funding increases, a strategy for tackling health inequalities and a vision for the future of our health service based on modern forms of organisation and a new culture of partnership and consultation to identify and meet health needs.

In London, the Government moved swiftly to set up a strategic review of the health service under Professor Sir Leslie Turnberg. I welcomed that decision and the report when it was published and debated last year. The shortcomings of the health service that we inherited from the previous Government were perhaps no more starkly in evidence than in London. A comprehensive review of health service provision from its very foundations was a strategic priority for London and for the national health service.

Alongside the commitment to increase funding—£21 billion over the next three years—the Government's commitment to implementing in full the recommendations of the Turnberg report stands as a further milestone along the road to rebuilding our health service. My local health authority area has felt the impact of those commitments immediately and will continue to benefit from a Labour Government delivering on their promises for many years to come.

London has suffered from a funding formula that has not truly reflected its health needs. Following a delegation last year to the former Minister of State, Department of Health, the right hon. Member for Darlington (Mr. Milburn)—now the Chief Secretary to the Treasury—which I led and in which the hon. Member for Sutton and Cheam (Mr. Burstow) and my hon. Friends the Members for Putney (Mr. Colman), for Battersea (Mr. Linton), for Tooting (Mr. Cox) and for Mitcham and Morden (Siobhain McDonagh) participated, I am delighted that there will be a freeze on further changes to the existing formula to review key factors such as the age profile and ethnic composition of London's population. I understand that the freeze will continue until 2001, when the working group will report.

The establishment of a Londonwide regional health executive is also a major step forward. Indeed, without it, it is difficult to see how a strategic approach to dealing with Londoners' health needs would be possible. However, I welcome the new regional health executive for the efficiency savings that will now be made by cutting down administrative costs—savings that will be reinvested in the health service in London to reduce waiting lists further and deliver improved front-line patient care.

Organisational change is also taking place at the sub-regional level in south-west London, and I endorse the merger of the Epsom and St. Helier trusts and the appointment of Jennifer Denning as the new chair. Similarly, I am pleased to endorse the community trust merger to which my hon. Friend the Member for Putney referred and the appointment of Dr. Liz Nelson as chair. The new trust will not be coterminous with the health authority area, but I support it because the inclusion of the Richmond trust will provide the critical mass necessary to make Queen Mary's hospital, Roehampton viable as a community hospital and also because of the strategic advantage of such a merger in the context of providing a quality health service for south London.

Most of all, however, I should like to take the opportunity to thank the Minister for the extra resources that have been made available to my local health authority over and above what was due to us through the national resource allocation on the existing formula. London—and especially south-west London—had been so starved of resources by the previous Government that one of the first

[Mr. Roger Casale]

reports that I was given to read by my local health authority after my election in 1997 was entitled "The River Runs Dry".

This year's budget for Merton, Sutton and Wandsworth health authority represents a cash increase of 6.3 per cent. and a real-terms increase of 3.8 per cent. In addition, the Government have provided £3 million to improve and enlarge the accident and emergency department at St. Helier and £2 million to cope with winter pressures. As a result of those and other changes, the burden of financial deficit across the local health economy has been reduced from £25 million in 1997-98 to £3.4 million for 1999-2000. The reduction in waiting lists at St. George's and St. Helier and across Merton, Sutton and Wandsworth health authority area has exceeded the Government's target by 4.3 per cent.

Further much-needed and important organisational changes are also going ahead at the initiative of local health decision makers and with the support and active involvement of the Government. In respect of mental health care, for example, Sutton and Pathfinder mental health services are to merge and Pathfinder has now received approval to redevelop its provision on the Tooting site. One site will now provide in-patient adult services for all Merton residents and a women-only area will be part of the new development. Most important, six primary care groups are now in place across the health authority and chief executives have been appointed to each.

The Nelson primary care group in my constituency, jointly chaired by Dr. Howard Freeman and Dr. Martyn Wake, is already playing a key strategic role in shaping the way in which health services will be delivered in our local community in future. Together with the St. Helier trust, the health authority and other local stakeholders, the Nelson primary care group is developing exciting new plans for a new community hospital on the site of the Nelson hospital in Wimbledon. The project will eventually house the Nelson primary care group and give local commissioning GPs a central role in the delivery of consultant-led services on site, relieving the strain on the large district hospitals and providing locally based services to the community in the heart of the community and, thanks to the community health council and the Wimbledon Civic Forum's health forum, in partnership with the local community.

New developments are also expected with regard to the future of the Atkinson Morley's hospital in my constituency and I thank the Minister for his intervention last year to ensure that the paediatric neurosurgery unit currently based at the Atkinson Morley's hospital will move with the rest of the neurosurgery department to the new PFI-led neurosurgery and cardiac unit at St. George's hospital in 2002.

For all the false sentimentality expressed by the hon. Member for Rutland and Melton (Mr. Duncan) about health service buildings, it is important to remember that Labour is more interested in the level of service. Atkinson Morley's services are not being broken up or reduced; they will be moved in their entirety to more modern buildings at St. George's, and I support that move.

I close my remarks by referring to what may be the most difficult and challenging task facing the Government in their drive to raise standards of health care across London: the need to bring about a cultural shift in the way in which the health service operates as the NHS moves to centre stage as the key public institution in our joined-up approach to creating a fairer, stronger and more equitable society. "Partnership" and "consultation" are the key words. They are easy to say—we all know what they mean—but more difficult to put into practice. How many of us know how to do that effectively?

Historically, the whole ethos of the NHS rests on co-operation and partnership to take forward a common endeavour in the public interest—caring for the nation's health—but that ethos was systematically eroded by a generation of Tory Governments and it will require not just good faith and good words, but hard work, organisation and perhaps further statutory duties to consult in order to reverse the decline. For example, consultants will have to learn to work more committedly in partnership with doctors if community hospitals and primary care groups are to deliver their full potential contribution to public health. It will not be enough to knock down the Berlin wall between social services and health services; many bridges will need to be built if we are to achieve a seamless service as planned.

Throughout the process, clear performance criteria must be laid down. Those criteria must be public and they must be publicly monitored. Above all, local communities and patient groups must have a stronger voice in the framing of health improvement plans and the shaping of local health strategies generally. Such an approach will help to deliver quality and equality in the health service by rooting out substandard performance and by identifying best practice and spreading it around.

The Wimbledon Civic Forum, which I established in my constituency and which I chair, brings together local residents and community groups to discuss issues of common concern with key decision makers. It is a valuable additional channel for communication and consultation in that regard.

The Wimbledon Civic Forum's health forum, under the chairmanship of Mr. Albert Johnson—together with the local community health council, under Dr. Lea McDonald—is leading the consultation on service provision at the new Nelson community hospital. The health forum has also held meetings with the chief executive of the health authority and the head of social services of Merton council to discuss the authority's health improvement plan, its strategy on mental health care and the authority's relationship with local community and social services. I ask the Minister to encourage such initiatives as a valuable way of helping to promote a cultural change in the way in which all our public services operate, as much of our success in modernising the NHS in London will depend on bringing that cultural change about.

In conclusion, our future in Merton, Sutton and Wandsworth is now vastly better secured as a direct result of the Government's response to Turnberg, the comprehensive spending review and the additional benefits delivered by the Government over and above these two, such as NHS Direct, walk-in centres and many others. I assure Ministers that, in my constituency and in south-west London, we support and are working to implement the changes that they are seeking to bring about across the country as a whole.

4.41 pm

Mr. Nicholas Winterton (Macclesfield): [illegible]on. Member for Wimbledon (Mr. Casale) made a co[illegible]ive and well-informed speech. My only criticism is that, in parts, it was too flagrantly party political, as if only one party could serve the NHS. Since the establishment of the NHS, successive Governments from across the political spectrum—whatever some Opposition Members might say, or whatever some members of the public might think—have been united in their commitment to the NHS, a service providing treatment free at point of delivery. There may well be differences on how the funds and resources for the NHS can be found, but the hon. Gentleman will find, after he has been in the House a bit longer, that no one here is opposed to the NHS and its pre-eminent position in the provision of health care.

Mr. Casale: I share the hon. Gentleman's commitment to cross-party consensus, where possible, and I try to practise it in my constituency. However, one of the reasons why I joined the Labour party was that I believed that the NHS would not have a future were it not for a Labour Government. I have not been disappointed in that regard.

Hon. Members: Hear, hear.

Mr. Winterton: The hon. Gentleman has some support from his hon. Friends. I have been here a goodly number of years, and I had the privilege to serve for a time on the Select Committee on Social Services. When that Committee was divided between health and social security, I chaired the Select Committee on Health for two years. There was tremendous co-operation among all members of that Committee, who were totally convinced that our NHS was the best in the world.

The Committee wanted to improve the NHS, and we worked to produce reports that would provide a better service for the people of this country. I chaired that Committee as a Conservative and Unionist Member of Parliament. The hon. Member for Wimbledon may be aware that I was not always as warmly supported by my party colleagues as I might have been. Notwithstanding that, there are many hon. Members on both sides of the House who are committed to the concept and principle of the NHS.

Mr. Andrew Love (Edmonton): Does the hon. Gentleman accept—as the hon. Member for Ruislip–Northwood (Mr. Wilkinson) appeared to—that there was considerable concern in Greater London at the time of the general election about the thrust of the previous Government's policy towards health in the capital?

Mr. Winterton: The hon. Gentleman is right, and the country as a whole had a perception about what the then Government wished to do with the NHS. I think that that perception was wrong, and my hon. Friend the Member for Ruislip–Northwood (Mr. Wilkinson) was right to articulate that today.

At the risk of upsetting my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth), I can say that the Conservative party has sought in what it has said recently—despite being misunderstood by some sections of the media—to establish once and for all that we are committed to the NHS. We want to improve it and to get more money into London, where there are problems. Those problems have been articulated remarkably well in the debate.

Ten months ago, I had an unfortunate fall in Trafalgar square. I have nothing but praise for and appreciation of the speed and efficiency of the London ambulance service and the paramedics who crewed the ambulance. Likewise, I have every admiration, respect and regard for the service and attention that I got from the hospital just across the river—our hospital, St. Thomas's—when I was taken to the accident and emergency unit. The service was first class. I experienced virtually no delay, and I greatly appreciated the service. That experience was important, as it gave me an opportunity to appreciate what the NHS can do. I praise the NHS.

Members of my close family live in London, and five of my seven grandchildren were born at St. George's hospital in Tooting. Pressure on the maternity and labour facilities at the hospital cause concern, but the quality of service and attention that mums-to-be get at St. George's is high. We have much to be thankful for in terms of the hospital services in London.

As I said earlier, I served for many years on the Social Services Committee; initially under the redoubtable leadership of Mrs. Renée Short, whose commitment to the NHS was never doubted. We worked closely together. One thing that is of immense benefit to the House is the Select Committee system, in which members of all political parties sit on a Committee, undertake an inquiry and, at its end, produce a report that is based on the oral evidence given to them, the experience of visits and the written memorandums that have been submitted. My experience on the Social Services and Health Committees was that we were committed to the health service and to social services, and we wanted to produce reports that were based on the factual evidence given to us. Many of the reports had cross-party support in the House as well as in the Committee. I believe that the health service benefited, and continues to benefit, from the work of the Health Committee.

I had the privilege to have as advisers on health over the years such learned medics and clinicians as Professor Richard Beard of St. Mary's, Professor Osmond Reynolds of University College hospital, and Dr. Luke Zander, a GP who is about to retire and who was immensely helpful and brought great commitment and experience to our deliberations, helping us to produce reports that have aided the delivery of health care.

Concerns have often been raised, especially by those who happen to be in opposition, about the hours worked by junior doctors. I am well aware of the problems that face any Government seeking to reduce those hours, but many of us, including myself, remain somewhat concerned that, although the Government rightly intended to reduce the hours, they will not be reduced as quickly as we had hoped. I hope that the Minister will clarify the matter when she replies to the debate.

My hon. Friends the Members for Uxbridge (Mr. Randall) and for Ruislip–Northwood asked, very constructively, about current facilities and specialties at hospitals in their constituencies. I raise those matters not because they have asked me to do so, but because other people continue to write to me on the subject because of

[Mr. Winterton]

my known commitment to and interest in our national health service. I hope that the Minister will respond appropriately.

I appreciated the way in which the hon. Member for Upminster (Mr. Darvill) delivered his speech, which was both considered and constructive. It is important for hon. Members to present their knowledge and views to the House in a way that can be accepted across the party divide, even if people disagree. The health service is too important to be a party political football.

I am concerned about the long-term care of the elderly in London. I continue to be approached personally and to receive correspondence on the issue, even though I represent a constituency about 175 miles from London. There is widespread recognition, across the political spectrum, that the current arrangements for funding long-term care of the elderly are both unsatisfactory and unfair.

My party made proposals before the general election to begin to address the current unfairness, but it did so far too late and, sadly, the incoming Labour Government rejected those ideas and chose instead—I can understand the reasons—to set up a royal commission to consider the question of long-term care for the elderly. Having recognised the problem as urgent in opposition, the Government deferred any decision on what I readily accept is a difficult issue by establishing the royal commission.

I know that the royal commission has sought evidence from a wide range of sources, and it has produced a report that, although it may not tell us anything new, comprehensively and accurately lists the issues, options and views that were presented to it. Clearly, the Government will shortly make a positive response. The current arrangements are unfair and the matter needs urgent attention.

The proposals made by my party when in government would have met the immediate needs of today's elderly population, and especially those in London, and would have eliminated much of the unfairness in the system of funding long-term care. It could have formed an important element of a long-term solution to the problem for future generations.

As the Minister knows, the proposal was based on the concept of asset insurance, which would have allowed people to protect the assets that they had accumulated through thrift and hard work. Members on both sides of the House want to recognise thrift and hard work, and to encourage them for the future. That would have been achieved in a partnership insurance scheme with the state. Again, I am sure that that would appeal to both sides of the House. I am not trying to put everything into the private sector, or the private basket, as some people say.

That is the best, simplest and most affordable proposal that has yet been made. It is unfortunate that the Government's comprehensive rejection of the plan when they were in opposition—they ruled out the asset protection partnership scheme in advance—has left them with little room for manoeuvre. As so many people in London will be affected, I hope that the Minister will be able to make some response, even if it is only a holding response, to what I have said on the subject.

Two years into the Government's period in office, many people will feel that we have scarcely moved forward on the issue. Behind the "Whitehall-speak" about further consultation and extensive debate, there lurks the suspicion that the Government—this could be said of a Government of any party—having used the device of a royal commission to delay things for nearly two years, have no intention of accepting its proposals, yet have no alternative of their own to offer. Sadly, they appear to have kicked the question of long-term care into the long grass.

The subject was of tremendous interest to me throughout the 18 years that I was involved with health and social services. The problem remains with us today. Any durable solution to the challenge of funding long-term care for the elderly must address as a matter of urgency the sense of injustice felt by many older people who have worked and saved all their lives, only to be forced to sell their assets to pay for their care.

The system put in place must be sustainable and based on a partnership between the state and the individual. Surely that is what the House wants—to provide for the care needs of generations of older people. So far, there is no sign that the Government have recognised the true urgency of the twin imperatives that I have outlined.

Finally, I apologise to the House for having had to nip in and out of the debate so frequently before I was called to speak. As I explained to you, Mr. Deputy Speaker, there are few Members here today, apart from those who represent parts of London. At one time the House looked like a sitting of the Standing Committee on the Greater London Authority Bill, which I had the honour and privilege of chairing. Except for the fact that you, Mr. Deputy Speaker, or one of your colleagues has been in the Chair, and the fact that there were "strangers" on both the Government and the Opposition Front Benches, those who have spoken today overwhelmingly make up the membership of what I have described as the extremely well-informed and entertaining Greater London Authority Bill Committee.

I apologise to the House for my erratic attendance, but I had duties with the Commonwealth Parliamentary Association, which was holding a lunch here today. Many people from the Commonwealth were here, and there were too few of us to accompany them.

I have found the debate informative and useful, and I hope that Members on both sides of the House have found my contribution both constructive and positive. I strongly support our health service, and I want to see it continue to provide an improved service for the people in London and throughout the country.

4.59 pm

Ms Joan Ryan (Enfield, North): I am pleased to speak in this debate today, because we have a good story to tell about this Labour Government's care and concern for, and resourcing of, the health service in London in the past two years. As other hon. Members have done, I wish to refer back to the Turnberg report of November 1997, because of its importance to London and the significant difference it made to the people of Enfield, North and the security they feel about the future of Chase Farm hospital.

For some 10 years, Chase Farm hospital had been continually under threat. Its accident and emergency department was threatened with closure, but the local

public valiantly fought against that time and again. However, they were beginning to feel that one more threat would see them off. The Turnberg report told us that London did not have an excess of beds and that an A and E department with between 50,000 and 100,000 new attendances per annum was the desirable size. Those two statements made Chase Farm hospital feel that it had a future.

Although I accept the comments by the hon. Member for Macclesfield (Mr. Winterton) about his individual commitment to the NHS, I do not accept that about the previous Tory Governments. It was always obvious that London was not over-bedded and that basing the number of beds needed in London on the blip in one year's figures in the Tomlinson report was irresponsible. Closing beds, and putting A and E departments under threat on the excuse that the beds were not needed, was a means of cutting resources to the NHS. That demonstrated that the NHS was not a priority for the Conservative Government. Words are easy and cheap, but many people, in London and nationally, found to their cost that the words "safe in our hands" meant nothing.

The hon. Member for Rutland and Melton (Mr. Duncan) talked about deceit and claimed that many Labour party candidates said that hospitals would be closed if people voted Conservative on 1 May 1997. Yes, we said that. I said it, and I meant it. My hon. Friend the Member for Hornchurch (Mr. Cryer) revealed today that he said it, and he meant it. I am certain that Chase Farm hospital would have no A and E department and would have been left to wither on the vine, which is what happens to district general hospitals when they lose those departments, but instead it faces a bright future. It was not deceitful to say that: it was the truth. When we told people that their hospitals would close, we had the evidence of the previous Tory Governments who put many hospitals under threat and closed others. We now have the evidence that this Government have ensured a future for those hospitals.

I pay tribute to my hon. Friend the Member for Hendon (Mr. Dismore) who worked very hard, from the time that he became the candidate for the constituency and since 1 May 1997, to try to protect Edgware district general hospital. My hon. Friend the Member for Harrow, East (Mr. McNulty) is right to say that its A and E department was closed by the previous Conservative Government on 1 April 1997. During that process, they ran the hospital down and undermined and demoralised it so completely that it subsequently closed. My hon. Friend the Member for Hendon has worked hard with our Labour Government and local groups to establish a successful community hospital there with a bright future. I do not think that that would have been there if there had been a fifth successive Conservative Government. Instead, we might well have had a housing development on the site, or something similar. We certainly would not have had a hospital there.

Sir Sydney Chapman (Chipping Barnet): I take a great interest in what goes on at Edgware. The accident and emergency department there was not shut on 1 April, although its closure was planned for that date—by the previous Conservative Government, as I accept—and accomplished a couple of months later. However, does the hon. Lady acknowledge that the closure of that department was balanced by a new, larger accident and emergency department at Barnet hospital? There is nothing new at Edgware hospital today that was not planned by the previous Government, although the accident services there now reside in what is called an urgent treatment centre. That used to be called the minor accident treatment centre, and the new name only confuses the public.

What the Conservative Government did in this sector is exactly the same as what the present Government are doing—when new facilities are built, old facilities are closed.

Ms Ryan: That seemed a very lengthy intervention, but I shall respond to the points that the hon. Gentleman made. He clearly said that the previous Conservative Government planned the closure of the accident and emergency department at Edgware hospital. Its subsequent closure is a matter of record. Moreover, the facilities at Edgware have been thought through carefully. What is different under this Government is that they are funded.

The hon. Gentleman and I have a connection, in that our two hospitals—Chase Farm and Barnet—now form a merged trust, with a wonderful, state-of-the-art accident and emergency unit. However, across north London, the hospitals include Edgware, Barnet and Chase Farm, North Middlesex, the Whittington and the Royal Free. The Turnberg report's assessment of the desirable number of new attendances at accident and emergency departments makes it clear that the department at Edgware was needed and that there was no reason to close it. A bottleneck has been created at Barnet hospital, and difficulties have resulted for north London's accident and emergency services.

However, those difficulties are being accommodated, and extra funding is being made available. There are new accident and emergency facilities at North Middlesex hospital, and the aim is to improve the facilities at Chase Farm. Yet that bottleneck and the resulting problems were in part caused by the decision that the previous Government took about Edgware.

I turn now to the merger of Chase Farm hospital and Barnet hospital. Once Chase Farm understood that its future was secure, we realised that there would be many advantages in merging with Barnet hospital. In November last year, we held consultations for the first time. People felt that they could discuss merger without suspecting, as they had before, that there was a hidden agenda involving the ultimate closure of one of the hospitals. They were thus able to talk about a positive way forward that would bring real benefits.

That consultation was a real exercise in rebuilding the trust between Government and public. People initially vented their feelings that the consultation that had taken place over the previous 15 years was either a smokescreen for further cuts, or merely an exercise in lip service. I think that we can prove that that trust has been rebuilt by showing that the future of the newly merged hospital trust is bright, and that it will continue to shine.

There will be benefits. The newly merged trust will save £500,000 a year, and that will go into patient care. There will also be clear clinical benefits for patients. We will be able to manage emergency demand at peak times much more effectively and ensure that waiting times for admission to a hospital bed are minimised. There will be opportunities to invest in new services, equipment and facilities.

[Ms Ryan]

All that is positive news for Chase Farm and Barnet hospitals. We welcome the appointment of Jenni Bowley as chair of the new trust and Liz Heyer as chief executive. We wish them well as they face a challenging and exciting agenda for hospital care in that part of north London.

The rest of the Government's programme for modernising the NHS for the millennium will benefit people in the Enfield and Haringey health authority area and in my constituency. Out of the £21 billion investment in the NHS that the Conservatives thought foolhardy and unaffordable, the authority is receiving about £24 million extra. We are grateful for that money which will make a significant difference. We are pleased to have had an extra £550,000 for refurbishment and modernisation of the accident and emergency department.

We also benefit from what the Government are doing through the private finance initiative. A PFI development has been signed and will soon be delivered for the newly merged hospitals. It will be sited at the Barnet part of the Barnet and Chase Farm hospital and will provide state-of-the-art facilities for people in the area.

That is in stark contrast to Tory attempts at PFI, when £30 million was spent on consultancy fees without a single hospital being built. The Labour Government will build the hospitals that the Conservatives merely promised.

As regards the NHS waiting list for Enfield and Haringey, 4,400 people are no longer waiting for operations. That reduction has been achieved despite a 4 per cent. increase in attendances at accident and emergency departments because local hospitals have reached and bettered the Government's targets. That major achievement for the NHS in Enfield and Haringey has brought real benefit to patients.

We hear a lot from the Tories about waiting times. Waiting list reductions bring reductions in waiting time. We have achieved significant reductions on breast cancer care and colorectal cancer care. Reduction of waiting times is related to reduction of waiting lists; they are not mutually exclusive. Our targets for waiting lists prove that we are willing to set measurable targets on what we say we will do for the NHS, what we will put in and what can be expected from it. But targets do not mean that we have no other objectives, or that they are independent of other desired outcomes. That would be nonsensical.

We have a strong story to tell, and I am happy to tell it. The people of Enfield, North are hugely relieved that the future of their hospital, linked with Barnet hospital, is ensured. They know that, when they need their accident and emergency department, it will be there. When they need admittance, there will be a bed for them.

Enfield community care trust is doing sterling work to ensure that mental health is not a Cinderella service in Enfield. An extra £910,000, courtesy of the Government, is going into mental health services. It will be spent carefully but well by the trust, which is efficient and well run. A Labour Government, founded the NHS in 1945 and a Labour Government rescued it in 1997. We have a lot to be proud of in the NHS. I am proud of all the work that local staff in Enfield and Haringey put in. If it were not for this Labour Government, we would have seen many more closures and a lot less funding across London and Britain nationally.

5.15 pm

Dr. Jenny Tonge (Richmond Park): Once upon a time, the people of Richmond had good GPs, a little hospital called the Royal hospital and social services delivered by their local council. It all seemed relatively simple and easy. If they needed secondary or tertiary care, they went to any of the many London teaching hospitals because in those days GPs could refer them anywhere.

Then the Royal hospital closed and we were told that we had to use Queen Mary's hospital in Roehampton. Several hon. Members have spoken about it. It was formed into the Richmond, Twickenham and Roehampton Healthcare NHS trust, which was rather difficult because it meant that social workers in my borough were dealing with three different district health authorities and two area health authorities. That made for great confusion and obfuscation between hospital, community and GPs about where patient care was coming from.

After a long fight—I empathise with the hon. Member for Romford (Mrs. Gordon) about candlelit vigils, mock patients on trolleys and petitions to Downing street—the death sentence on Queen Mary's hospital was passed by the Conservative Government. The Labour Government, in their defence, had no option but to carry on with those plans when they came to power, unless they could have dug up a huge amount of cash from somewhere, which they were unable to do.

My constituents are now left with a hospital service which consists of an out-patient service for one part of the constituency at Queen Mary's hospital, Roehampton, which is not in the constituency and is run by consultants who are based at Kingston hospital, which is on the borders of my constituency and relates rather more to that of my hon. Friend the Member for Kingston and Surbiton (Mr. Davey)—I hope that we will hear from him later, Mr. Deputy Speaker, if you call him. As a result, there is great confusion and I should like the Minister to take that on board.

The health service has never solved the problem of medical records. Patients are seen in out-patients departments and somehow notes get lost when they then have to be in-patients, or vice versa. I have never understood why we have this problem. I worked in the NHS for 32 years before I became a Member of Parliament and notes were always getting lost. It seems to me that we have two options: either we can go in for technology in a big way and call up patients' records on screen or patients can be responsible for their own records. Why on earth can that not happen? It happens in other countries and I fail to see why we cannot have our own records with us when we go to see a consultant or our GP. They can keep records too, if they want to, but at least some notes would exist.

The other big problem is that because of the shortage of nurses in the London area, many beds at Kingston hospital remain closed, despite valiant efforts by the chief executive to recruit nurses. Hon. Members may have read in the newspapers about nurses being recruited from the Philippines, and very good nurses they are too. Despite all those efforts, beds remain closed. Because of the demography of the constituency and that of Kingston, many beds contain elderly medical patients. We now have an added problem. At Kingston hospital, surgical consultants do not have enough surgical beds because such beds are blocked by medical cases. The consultants

are becoming extremely worried that, sooner or later, the royal colleges will decide that there is not enough surgery taking place at Kingston hospital and they will no longer accredit the hospital, which means that there will be no junior staff. That is how Queen Mary's hospital started to die about 10 years ago. I am extremely worried that Kingston hospital will suffer the same fate, if we do not do something urgently about funding and the nursing complement. We must ensure that the area has a comprehensive service.

In my constituency at present, patients go to Queen Mary's or Kingston for out-patient treatment and they go to Kingston, St. George's or Chelsea and Westminster hospital for in-patient treatment. The mental health services have been transferred to Kingston and the district community trust. The trust has already stated that 20 beds for the elderly mentally ill will be closed—that is exercising me a great deal. The Twickenham community health service has been hived off to the primary care group in Twickenham, which is excellent news. As the community health services in Richmond were part of Queen Mary's, Roehampton, they have been merged with the Merton, Sutton and Wandsworth community trusts. If hon. Members are a little confused, they should imagine what it is like to be a district nurse, social worker or GP in my area, who is trying to work out exactly where the services have gone and where they can be accessed for patients.

That leads me to a general point: people in the health service are entirely sick of being reorganised. I hope that the Minister takes that fact on board—indeed, I know that she will do so. We have been reorganising the health service since 1974—major and minor reorganisations. Each chief executive who takes up his post undertakes a whole reorganisation of the staff under him. The staff of the health service expend all their energy, innovation and intelligence trying to cope with management changes, when they should be dealing with patient care. I make a plea for an end to further reorganisations.

In my area, luckily we have extremely good GPs. I very much welcome the formation of primary care groups; I think that they could be the answer. They could certainly be the answer to achieving that magic quality of coterminosity, which my area has failed to achieve in 25 years of health service reorganisation. Good primary care groups, running their own community health services and liaising even more closely with social and mental health services, could be the answer. Such groups are a brilliant idea; I hope that they are very successful and I congratulate the Government on introducing them.

However, I have some worries. Although NHS Direct and walk-in health shops are a good idea, I think that some GPs consider that those services might undermine GP services. I hope that, in time, the Government will try to merge NHS Direct and the walk-in health shops with the primary care groups. Perhaps the Minister could address that point in her closing remarks. GPs need and deserve to know what is happening to their patients, and who is responsible for their care. Is it the GP, the doctor in the walk-in health shop or the NHS Direct nurse at the end of the phone line? That matter must be addressed, because we need co-ordination. At this stage, money for the formation of those groups could have been much better spent on GP services.

I promised to be brief and I want to deal with two other aspects. The document setting out the goals for the modernisation of the health service in London states that London leads the way nationally in specialisms and expert care. Of course it does. However, there is a problem that I hope that the Government will address. The hon. Member for Ruislip–Northwood (Mr. Wilkinson), who is no longer in the Chamber, raised the issue of a hospital that is brilliant at one service, but depends on another service for its brilliance. He asked how far one could actually separate them. I do not think that the hon. Gentleman's example was a good one, but I know a better one, involving a hospital very close to this place.

The hospital has a major trauma centre, but no longer has a neurosurgery unit. As the House knows, trauma centres usually take large numbers of head injuries, which often require neurosurgery, but the neurosurgery unit has been moved to another hospital several miles away. Because of that, neuroradiology—the specialty that attempts to find out what is happening inside the head and spine before the surgeons go in—has become unpopular in the hospital and the consultants have moved elsewhere. The result is a major trauma unit that cannot provide a good head injury service, and that worries me.

There are countless other examples of interrelated services, one of which is that maternity services have to be close to paediatric services—they must be in the same hospital. It is a source of concern that, as hospitals become centres of excellence and concentrate on one specific service or another, which is good in its way, we shall lose the combination of services that is essential to patient care. I hope that the Government will address that issue.

I heard yesterday from a group of senior managers that, despite the apparently magnificent extra funding that the Government are giving to the health service—I think the figure is £21 billion over three years, but I cannot be sure; it is like my own income, which is spent in several different directions at once, and I never know where it has all gone—most health authorities expect to be in a standstill position this year. That is because of pay awards and the extra money that they have been given being ring-fenced for specific projects, such as breast cancer services. Those projects are all worthy of our support, but they might not have been each health authority's priority this year. Because the health authorities will be at a standstill, we shall not see huge improvements or people rushing out into the streets saying how wonderful everything is and how they do not have to wait long for treatment any more.

We must take a serious look at what we set up in 1947, because the problems of the health service will never be solved by reorganisation or small amounts of funding. We need huge hikes in funding and we have to decide whether that will come from general taxation or some other source. The health service needs far more than what the Government are providing at the moment. The health service was created to cater for us from the cradle to the grave. Then, it had to cater for us from the womb to the tomb. It subsequently had to stretch its resources from the sperm to the worm. Now—I am glad that the Secretary of State is no longer here, because I have already told him this joke, which is far better than his—the health service has to cater for us from erection to resurrection. That cannot be done—we have to find another way.

5.28 pm

Mr. Clive Efford (Eltham): In deference to the hon. Member for Macclesfield (Mr. Winterton), who was not present for the speech of the hon. Member for Rutland

[Mr. Clive Efford]

and Melton (Mr. Duncan), I should like to read out a list of hospitals that have closed in the borough since 1979. The hon. Member for Rutland and Melton made a great deal of closures that were set in train by the previous Administration, but took place after the election of this Labour Government.

The British Hospital for Mothers and Babies was closed, as were the St. Nicholas hospital, the Eltham and Mottingham cottage hospital and the Brook hospital; and units dealing with the cardiothoracic and neurosciences specialties were both closed—all closed when the Conservatives were in government. The decision to close the Greenwich and District hospital was also taken at that time, and the decision to close Guy's hospital was announced just as a brand new building to house important research into cancer and other illnesses had been completed. We then had the discredited Tomlinson report, which recommended that we should lose acute beds because London was over-supplied. Tomlinson justified that recommendation on the basis that top-slicing money from acute services and investing it in primary care would lead to less demand on acute services in hospitals. However, when one devotes money to health areas where access is somewhat diminished, one begins to identify greater need for acute services and secondary and tertiary health care. It was a con to recommend that money be top-sliced from acute services and ploughed back into primary care before we had the opportunity to gauge the effects or the benefits, and it cost the people of London dearly.

That is the situation that the Labour Government inherited: the national health service was definitely under seige. I pay tribute to the staff of the national health service not just for the way in which they responded to the three recent bombings in London, but for their dedication to the health service while it was under seige. While claiming to protect the NHS, the previous Government were trying to dismantle it. It is only the dedication of the doctors and the nurses that held the NHS together so that a future Government could develop it as this Government are doing.

I welcome the initiatives that have been set in train. Primary care groups will bring decision making about local health services closer to the communities. I have argued and campaigned for that move for many years. I am a former chair of a social services committee and a former member of a community health council and a district health authority. I believe that we will see further improvements in planning and in the quality of health care when people from social services sit around the table with GPs, nurses and the lay people who use those services and devise local care strategies.

I totally opposed fundholding, and I remain concerned about the changing role of the GP in relation to patients. Prior to fundholding, GPs were patient advocates. Fundholding made them the gatekeepers of the resources. GPs had a vested interest in reducing access to resources in many instances. Primary care groups must guard against making GPs fund managers rather than planners and advocates on behalf of their communities. GPs will play an important role in leading community discussions as qualified professionals, in developing health care strategies and, at times, advocating additional resources rather than cuts. Primary care will need to develop in order to provide a wide range of services.

There is another important issue regarding waiting lists and the care of patients awaiting treatment in hospital. I would like to see more transparency in terms of performances in hospitals, particularly by consultants. I talked recently to a chief executive who described the disparity between the work rate of consultants in an NHS hospital and their work rates in private practice. He also expressed concerns about the relationships between local GPs and particular consultants, and how certain consultants are favoured when GPs make referrals.

The chief executive told me that trusts and providers must act as the gatekeepers for people who are referred to consultants because there is a clear relationship between the size of consultants' private practices and the size of their NHS waiting lists. I realise that that is a generalisation, and I would not suggest that it is true of every consultant. Frankly, however, some of them are behaving like spivs. They say to patients, "I cannot treat you in the next year, but if you cross my palm with silver, I will treat you a week next Tuesday." People on NHS waiting lists are forced to pay for treatment by consultants, and they often see in private practice the same consultant whom they would have waited to see in the national health service.

There should be more transparency on that matter. We have league tables in many areas of public service, so why not for individual consultants? They earn a great deal of money out of the national health service, and there should be performance statistics that not only detail how many operations they carry out within the NHS, but account for what they are doing in the private sector, so that we know their performance rates.

I was cited an example about eye operations. In the NHS, surgeons would perform five or six operations in a session, but, in the private sector, the same consultants would perform nine, 10 or 11 operations in the same time and, in addition, carry out pre-med duties and wheel the patients into the operating theatre to increase the throughput. Incentives must be offered so that such productivity is mirrored in the national health service.

I am aware that other hon. Members want to speak, so I shall be brief. We are about to elect a mayor for London. Someone with such a high profile in a capital city has a major role to play in public health campaigns to improve health and the understanding of health issues across the city.

We need to take more action in schools. I know that we have started that process, but we need to give young people more practical education about the simple facts that we all should learn in our day-to-day lives. I refer to matters such as the storage and cross-contamination of food and the treatment of minor illnesses. The technology and information exist to allow people to take better care of themselves, and young people are certainly capable of accessing that knowledge. If people understand more about their ailments, fewer demands might be placed on the health service.

My local health authority is trying to organise an international conference on health care issues, and its endeavours have the support of the Department of Health. As the authority is responsible for the Greenwich area, it will not surprise anyone that the event will be called the

millennium conference. It is designed to increase young people's awareness of health issues across the world, so that they will return to their communities and become advocates for better health care. It will also be an opportunity for young people to learn from one another about the issues that confront communities across the globe.

One of the issues that we need to address in future, of which I know the Government are aware, is the provision of better health information. Knowledge can help to reduce the demands made on the national health service because people are then able to take better care of themselves and one another, and within that process, emphasis must be placed on educating young people.

5.40 pm

Mr. Peter Brooke (Cities of London and Westminster): I normally have the pleasure of listening to the hon. Member for Eltham (Mr. Efford) speaking about his experience as a taxi driver, so it is a very great pleasure to hear him on another subject on which he is just as fluent.

I congratulate the Government on providing this debate today. I am not one of nature's great modernisers, although I would not go so far as the Scottish judge who said that change for the better was a contradiction in terms. Such days as this, which are dies non for the larger House because of the constituency imperatives on a polling day that take Members away from here, afford so great, if so narrow an opportunity that I have a practical suggestion to make to the Modernisation Committee.

Since these days are likely to be given to geographical subjects—because some Members are away from the House—I hope that there might be a virtue in reserving them further ahead than the usual fortnight's notice, so that Members know that the debate is coming up. Today's subject is complex, as the great weight of King's Fund reports that gather on one's shelves testify. It is a problem not just to accumulate the data, but as, I fear, one or two speeches have demonstrated, to organise, distil and refine such data. If we have more time to prepare, the debate would be even better than this one.

My constituency references will be brief, but like the dodo in "Alice in Wonderland" there is a prize-giving aspect to the occasion. I shall not seek to match the Secretary of State's encomium on the recent emergencies, which he gave eloquently and wholly appositely. His praise was intensely well warranted and, in turn, a tribute to the well-rehearsed preparation of various national health service institutions.

On a longer-term basis, in 1998, we had in the Kensington, Chelsea and Westminster health authority much the lowest proportion of patients waiting for 12 months or longer of the 16 London health authorities. On the other hand, in 1997, it had the second largest proportion of single-practitioner general practices, at 56 per cent. It was thought that that figure would fall following the closure of Westminster hospital, but, if it has, it remains high and an inner-city phenomenon.

At the other end of my constituency, 11 per cent. of the 564 most deprived electoral wards in England and Wales are in the East London and The City health authority. In that context, it was warming that the Turnberg report singled out the health authority's communication strategy for special and particular praise. I am personally proud that Sir Brian Jarman, who is historically linked to St. Mary's, co-produced the Turnberg report and has done such path-finding work on bed use, should be professor of primary health care at Imperial College school of medicine.

Apart from the dodo's prize giving, I must say a word about Bart's, on which there was a mini-clash between my hon. Friend the Member for Rutland and Melton (Mr. Duncan) and the Secretary of State during the opening overs of the debate. I am personally delighted not only at the Secretary of State's decision following the Turnberg report, but at the fact that he is riding herd on the dispositions of Bart's through the appointment of external arbiters.

The papers of yesterday's board meeting of the Royal Hospitals trust give pointers to why there continues to be local concern, to which my hon. Friend the Member for Rutland and Melton made reference. The outline business case for the new hospital at the Royal London and the redevelopment of Bart's was due to receive approval at yesterday's meeting, only to be delayed by further guidance from the regional office on the development of cancer services at Bart's. There is to be an intensive programme of work over the next few weeks to define which services are required in a centre of excellence at Bart's. I could not possibly complain about that, but the path of true love in east London does not seem to have run entirely smoothly.

Bart's leads me more smoothly to the configuration of medical schools in Greater London. Labour Members tend to be critical—I remark neutrally—in what they say about what happened in the NHS in Greater London during the first 18 of the past 20 years. In that process, they omit to pay credit to the reorganisation of London medical schools in the university of London. I should, incidentally, declare an interest as a member of the council of that university. The Flowers and Swinnerton-Dyer reports, early in my time in the House, may seem to belong to another age to those who came into the House in 1997, but they are worth revisiting to realise the scale of the revolution that has since been carried through.

As Turnberg says, 70 per cent. of all research and development expenditure allocated to medical schools by the NHS executive goes to the London schools and 42 per cent. of all medical undergraduates in England are trained in London. He also points out that there can be disadvantages for local services in such a concentration of academic excellence in medical schools.

Other colleagues have no doubt had representations from medical students about the creation of a new medical school nationally. I am making inquiries privately of the Department for Education and Employment and the Department of Health. I am in no way making a bid for another London school, but, were there to be one nationally, it would relieve strain on the London schools. Any light that the Minister can shed on that when replying to the debate will be welcome.

I hope that the London rationalisation will continue. I can remember a conversation at Bart's 22 years ago when the Bart's element at the occasion thought that Greater London could manage with, for example, three centres of excellence in neurosciences. The fact that Turnberg reports on 11 centres in neurosciences being reduced to six is an index of how far we may still have to go.

[Mr. Peter Brooke]

The Secretary of State alluded to the link between poverty and deprivation and the quality of health and advanced a claim that the Government were addressing the poverty and deprivation in the interests of good health. Looking round the Chamber, I cannot recall immediately whether anybody else present today was present for a recent interesting statistical analysis given by the Economic and Social Research Council in Room W1 off Westminster Hall on the link between poverty and health. Health was measured by morbidity, whether average or below or above.

Broadly speaking, the ESRC had one table for the 1980s—the tables were calculated by current constituencies—and another for the 1990s to date. My constituency and that of my parliamentary neighbour, the hon. Member for Regent's Park and Kensington, North (Ms Buck), who I see in her place, came in the top 50 poorest out of the 659 by household indices of poverty. The hon. Lady's constituency came high in the list for ill health in both decades and tables. Interestingly, my constituency, which is an inner-city seat—perhaps the ultimate inner-city seat—has jumped from being in the top 100 illest in the 1980s to being in the top half for good health in the 1990s. That was so sharp an improvement that I drew it to the attention of the ESRC, which is separately conducting an investigation.

One contributory reason I have suggested to the ESRC is the arrival of asylum seekers. At the time of Turnberg, 85 per cent. of those granted refugee status had settled in London, with the majority in inner London, and there were 100,000 in London who were either refugees or awaiting confirmation of refugee status, with still larger numbers today. Those refugees are likely to be poor but, on average, they are likely to be younger than the general population they have entered.

I mention that study in the context of the Secretary of State's claim because the ESRC was not so sanguine as the Secretary of State today that the Government were concentrating resources in the poorest constituencies. As a veteran reader of the Black report, which came out at about the time I first came into the House, I was agreeably surprised when the ESRC, when making its presentation, was comparatively warm about the way in which the Conservative Government, by comparison, had targeted resources in that context.

In the same spirit, I want to talk about measurement, accounting and economic inputs. I well remember how few accountants British Telecommunications had when it was a corporation in the public sector. The national health services's accounting was similarly primitive when I first came into the House—incidentally, under a Labour Government—and, as I have said previously, that cost my constituents severely. The resource allocation working party—RAWP—was taking money out of London and the accounting system was rewarding us slowly, and less than adequately, for services that hospitals in inner London rendered to non-London residents in expensive operations where payments were calculated on the basis of average rather than actual cost. I hope that that situation has improved latterly and that the Minister can now sleep at night over the accuracy and fairness of the accounting.

I am, however, concerned about what the Turnberg report said about under-enumeration for the capitation formula; and I can personally believe in that concern. Over and above the homeless, the mentally ill and the refugees—all of whom Turnberg deals with—in my constituency mail, proportionally, I receive two letters from residents in my constituency who are not electors for every five that I receive from those who are electors. That suggests to me that there may well be under-enumeration.

Although the Secretary of State, at the beginning of the debate, sailed serenely through the brush on low pay, I shall remark anecdotally—as an occasional out-patient at a teaching hospital, where I see a specialist of high reputation, at his clinic—that the paperwork of appointments is a nightmare for both of us. I am booked for one date; hear nothing further; then am told that I have missed another date; then discover that the date I had originally been given is one on which the specialist is on holiday.

I make no complaint about that at all. I am not seeking special treatment. It is a very good way of finding out what one's constituents themselves have to experience. The specialist puts it down to what the NHS is able to afford to pay clerical assistants. However, it is not conduct that commands respect, and it must be economically inefficient for the consultant, for his patients and for the NHS as a whole.

5.51 pm

Mr. Mike Gapes (Ilford, South): It is always a great pleasure to follow the right hon. Member for Cities of London and Westminster (Mr. Brooke), who entertained us greatly when we were considering the Greater London Authority Bill. Today, he has raised some interesting issues. Although it is tempting to pursue some of them, I have a specific constituency interest to deal with.

First, however, I should like to raise one other issue for the Minister to address in her reply. As she will know, some months ago, I raised it also with my right hon. Friend the Chief Secretary to the Treasury.

What is being done to tap London's great resource of refugee doctors? My health authority—Redbridge and Waltham Forest health authority—and particularly Dr. Peter Elliott, who works for it, have introduced an innovative scheme to try to train in English and help gain accreditation for refugees with medical expertise or who have worked as the equivalent of general practitioners in hospitals in their own countries before being forced to flee to the United Kingdom. Currently, it is difficult for them to gain accreditation.

I hope that the British Medical Association and other authorities, with the Government's assistance—not only the Department of Health, but the Home Office will have to become involved—will facilitate the employment of refugee doctors, particularly in serving refugee communities where their linguistic skills and cultural understanding would be of great help.

I shall concentrate my remarks, however, on the specific issue that was dealt with at some length in the speeches of my colleagues and neighbours from Redbridge and Havering: the new hospital at Oldchurch, which was pushed for by Turnberg, and endorsed by the Secretary of State in accepting Turnberg's recommendations.

The Turnberg report was submitted to Ministers in November 1997, and the Secretary of State responded to it on 3 February 1998. On that date, I asked him for an

assurance that development of the new hospital would not have a detrimental effect on the King George hospital—in Ilford, in my constituency—which is only about 3.5 to 4 miles from the proposed site of Oldchurch hospital.

The Secretary of State told me:

"I assure my hon. Friend that there will be thorough local consultation and that any decisions will take account of the possible impact of a new hospital at Oldchurch on neighbouring hospitals. I reassure him that our objective is to build up, not run down, London's hospitals."—[*Official Report*, 3 February 1998; Vol. 305, c. 858.]

I very much welcomed that statement then, as I still do. However, some issues have not been resolved, and the Redbridge Health Care trust and the local community still have some concerns.

The King George hospital is relatively new. It was opened less than six years ago. In that time, the level of activity at the hospital has increased enormously. When it was built, it was planned that there would be 55,000 accident and emergency attendances a year. In 1998-99, there were 90,000. Elective work is double what was planned, and there has been a 49 per cent. increase in emergency work.

The hospital has also had a lot of new investment, with £7.5 million of further capital to develop essential departments and support in pathology, radiology, cardiology and sterilisation services, as well as a new computer linking system with information, advice and facilities for downloading tests for general practitioners. The hospital has put a great deal of effort into its relationships with local GPs. I am pleased to say that, in the past year, waiting lists have fallen by more than 30 per cent., which is, as they used to say in eastern Europe, over-achieving the target. The waiting list situation was not good, but there has been a significant improvement.

Three, four or five years ago, I was critical of my local hospital. At one point, I called for a public inquiry because I was getting so many complaints from constituents about how things were going at the hospital in 1994 and 1995. There has been a significant improvement at the hospital in recent years. I pay tribute to the staff—the nursing and medical staff and the ancillary staff—and to the management of the hospital for the improvement that they have brought about. I receive far fewer complaints about my local hospital than I did when I was first elected to Parliament seven years ago. Of course, there are still complaints, as there will always be with any hospital, and they have to be dealt with properly.

The trust has brought in new ways of working—day-case surgery, overnight day-case systems and opening the unit on Saturdays and Sundays—to deal with the problems. The hospital is now effective, very busy and very popular. It needs to continue the work that it is beginning to do so well. My hon. Friend the Member for Upminster (Mr. Darvill) pointed out how the final decision on Oldchurch was causing uncertainty. As well as affecting the people of Upminster, Hornchurch and Romford, that uncertainty causes problems for the King George hospital in Ilford. The new investment that our hospital needs will be affected by uncertainties and delays at the new hospital. The uncertainty surrounding Oldchurch is making long-term planning more difficult.

The greater co-ordination and discussion between Redbridge and Waltham Forest health authority and Barking and Havering health authority have been important developments. There have also been contacts and discussions between the trusts. I welcome that. It would be absurd if trusts competed with each other rather than working together to serve the interests of the local community and patients. Turnberg called for such co-operation and opportunities for collaboration. That is all to the good, but I reiterate my initial point about the importance of there being no uncertainty about the future of the King George hospital as the new hospital at Oldchurch is developed.

There are still concerns among the local community, many of which may be unjustified, but uncertainty may lead to difficulties in future. The argument does not relate to money, egos or competition between trusts. Anyone with any knowledge of the medical profession and the way in which hospitals work will know that any institution requires a certain level of achievement to make it fully viable in terms of the number of junior doctors who are attracted to work there and the number of specialisms that it offers. Increasingly, clinical services are being developed whereby hospitals require a certain volume of patients to maintain the quality of work—doctors need to do a certain number of a particular type of operation in order to keep their hands in.

My worry, which is widely shared, is that a consultant-driven approach may be at variance with community need. We need to get the balance right. It is not just a matter of resources; there must be a balance within the service so that hospitals are viable and attractive. We do not want any one hospital to act as a magnet for the best consultants and people with career aspirations so that other hospitals are regarded as declining backwaters or as failures.

As we develop new facilities, we need to recognise the needs of the existing ones. That view is widely shared by hon. Members on both sides of the House, but it needs reiterating.

Strategic planning and co-operation are very important. As the constituency Member for the King George hospital, let me say that it is vital that elective surgery is not moved away, that the new hospital at Oldchurch fulfils the requirements of its community, and that the two hospitals work together in partnership, as that will be important for the future. The new development must not compromise the future viability of the existing hospital. I am confident that it will not, but my constituents in Ilford want that assurance.

6.3 pm

Mr. Edward Davey (Kingston and Surbiton): I start by associating myself with the remarks of my hon. Friend the Member for Richmond Park (Dr. Tonge). With her experience of more than 30 years spent working in the health service, she analysed the problems that we have in south-west London, and particularly at Kingston hospital, very well.

I am also grateful to the hon. Member for Putney (Mr. Colman), who is no longer in his place. He referred to the problems at Kingston hospital and gave it his full support. Many of his constituents use it; it is a vital service for them, as it is for my constituents. I am particularly delighted that the hon. Gentleman has become convinced of the need for new investment in the accident and emergency department. However, I do not share his belief that the health authorities of Merton, Sutton and

[Mr. Edward Davey]

Wandsworth should merge with Kingston and Richmond. That view was not mentioned in the Turnberg report; nor was it shared by those in the local health authority whom I met.

As time is short, I shall limit my remarks on the wider modernisation agenda, save to focus on one or two technological developments in my constituency. Agora Healthcare, a local software firm—I should say for the record that I have no financial or other interests in that company—is working with a local GP practice and the Kingston hospital to see how they can use information technology to integrate primary and secondary health care to reduce waiting lists. That is a technological development in which the Government ought to be interested.

The company is running a pilot project in a local GP's practice, sending digital photographs of dermatological conditions on-line to the consultants at Kingston hospital to see if they can speed up the process and improve the medical outcomes. By the company's calculations, if the project—which is proving its efficacy—were to be rolled out across the country, it would immediately hit the Government's reduction targets for waiting lists. I commend the pilot to the Minister.

Technological solutions would help in the structural changes in south-west London. My hon. Friend the Member for Richmond Park mentioned the problem of clinical records being lost, and we are concerned about that in the secondary sector. Some consultants saw a patient at the old Queen Mary's site at Roehampton and again later at Kingston. There is a need to improve communication between the two sites and to make sure that the records can be easily accessed from both. That would improve the attractiveness of Kingston hospital as a place to work, as well as a place to be treated.

My hon. Friend the Member for Richmond Park rightly referred to the problems of staff shortages at Kingston hospital. The closure of Queen Mary's has made it worse. I wish to praise the staff of Kingston hospital, who have been working flat out because of the pressure—pressure which is over and above the national pressure about which we have heard today.

The transition from Queen Mary's has been difficult. Turnberg referred to the need for local health managers to have a credible plan for the transition. In an Adjournment debate last spring, I warned about the need for that plan to ensure that we did not suffer huge bed shortages during the summer and autumn of 1998. I am pleased to say that, following those warnings and work with the Government, the bed shortage did not occur. The Roehampton wing was put up on time at the Kingston hospital site, which was good.

There have been problems in the transition, not so much with buildings, as with staff shortages. Despite the best efforts of management, a lot of the staff did not transfer from the Queen Mary's site to Kingston—as the hon. Member for Putney mentioned—partly because of the London salary weightings and the lack of creche facilities at Kingston. However, they were also fed up with and demoralised by the way in which Queen Mary's had been run down over a number of years. They felt that the last change was the straw that broke the camel's back, and they were not prepared to go along with it. Many patients and much of the health demand transferred to Kingston, but Kingston did not get a lot of the staff. That has exacerbated the staff shortages locally, and there is still a major hangover from the change.

As my hon. Friend the Member for Richmond Park said, the management of Kingston hospital went over to the Philippines to recruit, and they recruited some excellent nurses. However, it seems absurd that they had to go to the other side of the world to find staff to work in the health service in south-west London. That raises wider issues of pay and training; and there is a feeling that, at Kingston hospital, the transition was not supported as much as it should have been.

Locally, some GPs have not felt that, in the first year of the transition, they could refer patients to Kingston hospital whom they previously referred to Queen Mary's. The statistics show that the transfer of patients has not been as large as was expected prior to the closure of Queen Mary's. That is purely to do with the staff shortages. GPs tell me that, once enough staff are in place and the investment has been made in the space, they will start referring their patients to Kingston.

Investment is urgently needed in Kingston hospital. Comparing the year before the closure of Queen Mary's, 1996-97, with the year 1998-99—the services were transferred from April 1997—we find a massive increase in the work load at Kingston hospital, with 15 per cent. more people attending accident and emergency, a 60 per cent. increase in in-patients and a 71 per cent. increase in emergency in-patient cases. That has created huge pressure, and it is vital that the management should be backed up in the effort to tackle it.

The hon. Member for Putney was right. The investment in the accident and emergency department is crucial. The Secretary of State said that £100 million was available for small improvements in London. Investing in accident and emergency at Kingston would be not only a small improvement for my constituency, but a major improvement for the whole area. I hope that the Government will give their backing to the hospital's long-term future.

There are many good developments in the health service in south-west London. The primary care groups have taken off well in Kingston and I wish them well. Many local people have been involved in campaigns to improve local GP practices and medical sites in New Malden, Surbiton and Chessington, for example. I pay tribute to Chessington councillors who, working with developers, have ensured that land is available for a new medical centre there and that the developers will provide a subsidy to link it to Kingston hospital with new public transport services.

Kingston and Richmond health authority has had below average funding increases for some time. The national average cash increase for the next financial year is 6.6 per cent., but in Kingston and Richmond it is 5.5 per cent. In real terms, the national average is 4.4 per cent., but Kingston and Richmond is getting only 2.9 per cent. Local health managers are concerned that, if that trend continues, they will be really stretched.

The Secretary of State rightly said that the Government should direct resources to where they are most needed—the Government are right to tackle inequality in health care—but sometimes Ministers, not only in the Department of Health, but in other Departments such as

the Department of the Environment, Transport and the Regions, look at a place such as Kingston and dismiss its needs because it is leafy.

If Ministers came to Kingston and travelled around the constituency, they would see that many parts are not leafy at all. There are pockets of severe deprivation. Norbiton ward, for example, is one of the poorest in the whole of London. Poverty exists in the royal borough. We have below average wages for London. If resources are to be allocated to redress inequality, I hope that Ministers will consider not only the macro-picture but some of the micro-measures.

Some of the statistics that are often used do not give a fair reflection of the poverty in constituencies such as mine. The measure of free school meals is an example. Because the previous Conservative council ended the hot meals service in schools, many mothers on income support whose children would otherwise have a free meal no longer claim their entitlement, because they do not want their children to have a cold meal.

I am concerned about the suggestion by the hon. Member for Putney that Kingston and Richmond health authority could merge with Merton, Sutton and Wandsworth. I urge Ministers not to go down that road, not only for the reason so eloquently expressed by my hon. Friend the Member for Richmond Park—that it would mean another management upheaval, another bureaucratic change—but because it would create a mega-bureaucracy, thus reducing both the flexibility of the management of local health services and the focus on the health needs of the communities that my hon. Friend and I represent.

Such a merger would prevent managers from focusing on the real priorities in Merton, Sutton and Wandsworth, as well as in Kingston and Surbiton. The hon. Member for Wimbledon (Mr. Casale) talked about the merger between the Pathfinder mental health trust and the Sutton mental health trust, but I think that that was a retrograde step for the mentally ill people who were using the Sutton services. They had much more in common with the Kingston and Richmond services, in terms both of those who were delivering the services and of the types of need. That emphasises my point that pushing together bureaucracies does not necessarily achieve a focus on the needs of local communities.

There is much more that I could say, but I am conscious of the fact that several Labour Members want to speak, so I shall finish by saying that, although a lot of what the Government are doing for health in London is welcome, I hope that the Minister will forgive me if my judgment and praise are reserved until we hear the decision about investment in Kingston hospital. That investment is much needed, and it cannot come too soon.

6.16 pm

Ms Karen Buck (Regent's Park and Kensington, North): I congratulate the Government on a solid record of achievement in the two years since the election. We have now seen the beginnings of the dismantling of the internal market in the health service, which was so bureaucratic and divisive, set hospital against hospital and created a two-tier service in primary health care. Patients were often treated not on the basis of clinical need, but according to whether they had a GP fundholder.

We now have London's largest ever hospital building programme. The comprehensive spending review has provided not only generosity in investment in the health service, but a three-year funding package which provides security—in contrast to the squeeze-and-spurt process that characterised the years of Conservative government, when a generous pre-election investment would be followed by a tight squeeze after the election.

We have more new initiatives, which have already been well described by my hon. Friends. For example, there is the sure start programme, run with the Department for Education and Employment, and NHS Direct. I shall limit my enumeration of the Government's virtues only because time is limited and others wish to speak.

I shall make four points. First, on the subject of health inequalities, I congratulate the right hon. Member for Cities of London and Westminster (Mr. Brooke) on having so eloquently made the case about poverty and deprivation in central London. The Government, too, are to be congratulated on the commissioning and publication of the Acheson report into health inequalities, which laid out an excellent strategy for tackling many of the problems that underpin poor health.

What the Government have done stands in stark contrast to the handling of the Black report, which the right hon. Member for Cities of London and Westminster also mentioned. That was an excellent document which, had it been implemented when it was published, would have prevented many avoidable illnesses and premature deaths. Shamefully, it was suffocated at birth, which was typical of the Conservative Government.

I shall make another point about primary care, which was also mentioned by the right hon. Gentleman. The Opposition spokesman, the hon. Member for Rutland and Melton (Mr. Duncan), talked about single-handed GP practices, which he, unlike the right hon. Gentleman, favoured.

Inner London has a staggeringly high proportion of single-handed practices. Although people naturally want to relate to an individual GP, and know his or her name and face—that can be a problem for group practices—single-handed practices undoubtedly do not provide the same quality of patient care, especially out-of-hours care which is so important. That is definitely one of the factors underpinning the inappropriate use of accident and emergency departments that is a feature of inner-city life.

Excellent models of co-operative working are now being developed in the primary health care sector. In St. Charles hospital, the GP co-operative has done excellent work in bringing together GPs to work co-operatively to provide 24-hour care. GPs working alone or in small practices face a heavy burden in providing out-of-hours care. The Government should be congratulated on elevating primary care to a central role in health care, as exemplified by primary care groups.

I welcome the inclusion of the development plans for St. Mary's, Paddington in the provisional three-year development programme set out in the Government's response to the Turnberg report. The hospital is situated in the constituency of the right hon. Member for Cities of London and Westminster, but I am sure that he will appreciate that it is my local hospital, too. The plans that have been drawn up by St. Mary's for the next phase of development are exciting and positive, providing an opportunity for the reconfiguration of specialist services across west London and fitting in with the exciting Paddington regeneration scheme. I hope that those plans will be considered favourably by the Minister.

[Ms Karen Buck]

I pay tribute to the leadership of the St. Mary's trust, under the still relatively new trust chairman, Trevor Campbell-Davis, who is an efficient, effective and dynamic leader. He was instrumental in turning around the St. Charles hospital in north Kensington, which was in a poor state a decade ago, but which has changed dramatically and now makes a valuable contribution to the quality of care for north Kensington residents.

I welcome the fact that the Government have published a coherent strategy for mental health care services in their response to Turnberg and in the Green Paper on mental health services. The Government have backed that up, as my right hon. Friend the Secretary of State said, with £37 million extra for health and social services psychiatric provision. How desperately we needed that money. Psychiatric provision—especially acute psychiatric provision—was woefully inadequate by the early 1990s.

One of the most awful features of London health care in the 1980s and 1990s was how often severely mentally ill people spent the night in police cells because there was no secure acute psychiatric accommodation for them. On occasion, people were driven out of the capital, away from whatever support services they needed, to secure psychiatric beds in places such as Chester, Brighton and Southampton. That situation needs to be turned round.

The Turnberg report and the mental health services Green Paper set out a strategy based on investment, improved care processes, an improved legal framework and a recognition of the inadequacy of the past implementation of community care. That strategy is coherent, thoughtful and backed with resources. However, I ask the Minister, who is fully committed to delivering on the issue, to help to ensure that other Departments and local authorities provide essential support for the strategy. The need for a co-ordinated, multi-agency approach to mental health care services remains critical, as highlighted by the recent Dixon inquiry into the murder of PC Mackay by a severely mentally ill man under the care of Kensington, Chelsea and Westminster health authority. It is appropriate at this moment to pay tribute to PC Mackay, and the other police and front-line workers who so frequently put themselves at risk of attack and murder by members of the public who have severe mental health problems.

The Dixon inquiry revealed serious weaknesses in police and management that those authorities—to their credit—have embraced and are beginning to implement. Underpinning all that is the desperate need for an adequate reflection of London's problems in all the funding settlements, some of which were mentioned by the right hon. Member for Cities of London and Westminster when he talked convincingly about the under-enumeration of vulnerable groups.

The incidence of psychiatric morbidity in central London is four times the national average, and schizophrenia is three times more prevalent than nationally. One third of mental health service users in central London either are homeless or have no local connections. As the Acheson report found, 45 per cent. of bed-and-breakfast occupants experience severe psychological distress, compared with 20 per cent. of the general population. As the Dixon inquiry highlighted, there are 183 severely mentally ill people in bed-and-breakfast accommodation in one borough alone. That is untenable, and we must ensure that action is taken to prevent that situation from continuing.

The social exclusion unit and the rough sleepers unit are doing excellent work, in partnership with Government Departments, in dealing with a lethal cocktail of mental illness, homelessness and substance abuse, after those problems had been neglected for years. However, it is early days: the need is desperate and we must do everything in our power to stop people who are severely mentally ill being put in bed-and-breakfast accommodation.

Social housing to provide care for those people—especially for those who are single—must be fairly distributed across London. We must resist the pressure that has built up over recent years—certainly in Westminster—to create psychiatric ghettos in poor corners of the city. They can only add to a problem that is already serious, both for those who suffer from mental illness and for the wider community. I look forward to my right hon. Friend the Minister's response.

6.26 pm

Mr. Gareth R. Thomas (Harrow, West): I, too, welcome the opportunity to debate London's health service. The reforms in the Health Bill—especially the abolition of fundholding, the replacement of the internal market and the emphasis on quality—are long overdue. The focus on promoting partnership across health care boundaries will also be welcomed by Londoners.

The Conservative Government's stewardship of the national health service in London had, by May 1997, produced waiting lists at record levels and an internal market that fostered competition, inefficiency and chronic under-investment in patient care.

In the very worst cases, the internal market generated a form of bureaucratic imperialism, as a few chief executives of trusts sought to gobble up the activity of neighbouring trusts to bring in new streams of income, often at the expense of quality and ignoring local concerns. The crazy merger of Watford general hospital and Mount Vernon hospital was one such example. They were very different hospitals in terms of their clinical specialties: one looked to help patients in Hertfordshire, the other served people in London.

The merger involved a highly destabilising revolving circle of senior executive staff, and an increasing loss of transparency and local accountability in the trust's finances. Ultimately, it led to the loss of Mount Vernon's status as a district general hospital and the closure of its accident and emergency unit. Those two decisions have had a disastrous consequences for the remaining services on site, as other hon. Members have noted.

Divisive and destabilising competition was the product of the structure that we inherited, but quality must be the motor of the new structure for London's health service. Quality cannot somehow be imposed. We cannot magic it into hospital processes: it is not the concern only of the royal colleges or of those hospitals where poor standards of care have been identified.

A commitment to quality is, first, a state of mind—a determination to do better. Excellence has to be rooted in every aspect of a trust's operations. For example, quality must be the guiding force in every new service change.

The new duty of quality that the Health Bill imposes on London's health providers is, therefore, essential. Effective quality improvement processes must be in place in every hospital. Even where standards are good, we must

encourage management to ask how they can be improved further. We cannot have the management of even one London hospital looking at events in Bristol or Kent and saying, "They could never happen here, so we can just go on as we are."

In 1995, the National Audit Office first highlighted variations in NHS trusts' commitment to clinical audits, one form of quality control. In May last year, the medical press highlighted the continuing variations in that commitment. So it is clear that there is a need for a comprehensive quality programme to reinforce the new duty. The Commission for Health Improvement, able to monitor local clinical governance issues and the implementation of national health service frameworks across London, and to tackle persistent problems will help to drive forward such a quality programme.

Those measures are coupled with London's share of the £21 billion of new investment, and I praise my right hon. Friend the Secretary of State for providing £780,000 to modernise Northwick Park hospital's accident and emergency unit. All this will help to restore the belief of patients and carers that quality of care, not the financial bottom line, is the true raison d'etre of London's health service.

The merger of Northwick Park hospital with the Central Middlesex is an example of the new rationale. Two acute hospitals will continue their current levels of activity while merging into a single trust to release money from administration for patient care. Crucially, they will also bring together clinical teams to improve services and drive up standards of care.

London's health service has many near neighbours who, at different times, are better positioned to deliver health gain. Securing true partnership with the many arms of local authorities and with other statutory bodies whose primary purposes are, say, crime and disorder or poverty has been the aim of many health care reformers for 20 to 30 years. Only when the Health Bill becomes law will that wish begin to be fulfilled.

Together with the establishment of a Greater London Authority, a London development agency and the creation of a single London NHS region, important new opportunities are opening up for strategic health partnerships across London to tackle the health concerns of Londoners. London needs a health strategy to which the boroughs and other pan-London statutory bodies and stakeholders are committed. I welcome the NHS executive event that is planned soon to begin shaping the vision behind a London health strategy.

In my borough, a new spirit of partnership across the health care divide has begun to flower. Where once local hospital chief executives and council leaders would prowl warily around one another between routine confrontations about each proposed change in health care arrangements, the health White Paper and the granting of pilot status for best value to Harrow council have released wasted energy for more creative and innovative attempts to build genuine partnership, trust and understanding of the constraints and opportunities that confront local service providers and purchasers.

It would be wrong to suggest that everything in Harrow is sweetness and light, or that it will be so when the Health Bill becomes law. There is sustained enthusiasm, but there are questions too. General practitioners who felt ignored by the local health authority and hospital managers who felt dragooned into fundholding have reservations about yet more change in their ways of working.

Hospital doctors, used to the destabilising change that was brought year after year by the perversities of the internal market, point to considerable challenges facing the health service. Even the most sceptical are engaging with and being engaged by other health and social care stakeholders, partly through the Harrow partnership, the vehicle for the council's best value pilot. Elections to the primary care group were strongly contested, and the west London NHS Direct bid was enthusiastically supported. Local hospitals are beginning to explore more effective ways of communicating with all GPs.

In Harrow, there is a sense of a service changing for the better, establishing effective partnerships and focusing on how best to allow existing excellence among local NHS and social care staff to develop. London needs more imaginative arrangements for providing and integrating services to raise the quality of care received by patients and their carers who, not surprisingly, are more concerned with totality of service than with whether part of a service is provided by an NHS trust or a local council.

London's health service learned important lessons about integrated care from the way in which winter pressures money had to be used. That money forced a much more rigorous approach to joint working around the discharge and rehabilitation planning for elderly people. We must continue that approach in the health improvement programmes, locking in local providers of London's health and social care to shared and accountable agendas for local health priorities.

When the Health Bill becomes law, the excuse for lack of proper joint working between health service and social services staff in London will be removed. The opportunity to blame legislation, or its interpretation by finance staff, will simply no longer exist.

The Health Bill, London's share of the £21 billion investment and the creation of a Greater London Authority mark the end of a new beginning for London's health service. The challenge will be to maintain the momentum.

6.34 pm

Mr. Tony McNulty (Harrow, East): I shall be brief, much to the pleasure of Opposition Front-Bench Members, not least the hon. Member for Orpington (Mr. Horam) who is now on his third party, I believe, in terms of representation in the House. It is a pity that the hon. Member for Rutland and Melton (Mr. Duncan) is not here. As he has done before, he called for a grown-up, serious, mature debate and then promptly descended into a childish, petulant, right-wing rant, which was of no value to anyone. He did the House a disservice by suggesting anything other than fact, which is that Edgware A and E facility stopped as a blue light function on 1 April 1997, not afterwards. I have the records and I can send him clear evidence that the health authority started the wind-down at the behest of the right hon. Member for Charnwood (Mr. Dorrell), or Loughborough as it then was, in February 1997, while his hon. Friends the then Members for Harrow, East, Mr. Dykes, and for Hendon, North, Sir John Gorst, were rallying round threatening to bring down the Government—and then, what a surprise, did not bother. It is a shame that the unique, innovative consultation process that followed, which included over 200 organisations and

[Mr. Tony McNulty]

gave the local community what they wanted in terms of a community hospital, is also pooh-poohed by Opposition Members.

I want to touch briefly on those issues that are not in Turnberg. A specific local one concerns the Royal National Orthopaedic hospital. It is the international orthopaedic facility in the world. It awaits still, some 10 years on in terms of the grinding wheels of health bureaucracy, a decision following the musculo-skeletal review in the area. I fully support the refurbishment and modernisation of this key international facility on the Stanmore site.

The one comment that I would endorse from the sixth form representative of Kingston—and on and on—and Surbiton (Mr. Davey) is that there are significant pockets of deep deprivation, which we miss at our peril, throughout outer London and suburban areas which often get overlooked because of the notion that, somehow, areas such as Harrow and Uxbridge are seas of affluence. We need to pick that up.

I am not one who indulges in luvvie behaviour. I do not subscribe to the school report that says that, no matter what they have done during their time in power since 1948, at heart, deep down the Conservatives really like the NHS. I do not believe that for a moment. I would not associate the hon. Member or right hon. Member for Macclesfield (Mr. Winterton)—I am not sure which—with this remark.

Mr. Nicholas Winterton: The hon. Member.

Mr. McNulty: It should be right hon. Member, not least for the real service he did in the House as a strong, independent Chairman of the Select Committee on Health. He is to be fully applauded for that; he deserves a gong for it if for nothing else. He certainly deserves one for the exceptional way in which he chaired the Greater London Authority Bill. At the risk of being mildly offensive, I would say that at best he is a semi-detached member, certainly of the last Government, if not of the Conservative party.

The luvvie behaviour stops here because the economic spokespersons for the Conservatives cannot say, as they have done, that they will freeze duty on fuel and tobacco. That impacts on London's NHS; the cash register rings £6 billion straight away. That is roughly a year's worth of the total £21 billion that we are putting into the health service. Where is that money going to come from? The Conservatives cannot, as some of them do, say that they now subscribe to the £40 billion, yet, at the same time, make all these other commitments elsewhere. They cannot do that and be credible to the public.

The Conservative Opposition are all over the place when it comes to the health service and, as ever, the Liberal Democrats are irrelevant. Unless hon. Members stand up and say that the hon. Member for Rutland and Melton is wrong to suggest charging people to visit GPs and to go to hospital, and to suggest getting more and more public money to subsidise further private medicine, they will be damned for ever as the enemies, not the friends, of the NHS—with the occasional honourable exception.

6.39 pm

Mr. John Horam (Orpington): For once, I am grateful to the Secretary of State because he has spared the House what Conservative Members call the Dobson rant: that is a wholly partial diatribe about the mystical or mythical behaviour of the Conservatives during the past 30 years or so, buttressed by some partial facts and colourful epithets. On this occasion, he actually talked about the subject in hand, unlike his introduction of the Health Bill, when he barely considered the Bill. Today, he was rather more positive, although he gave us a rather partial and highly complacent view of the national health service in London.

It is my job to introduce a little reality to the debate. Although there are always some worthwhile things going on in the health service in London—I have no doubt about that—there is much that is not good from the point of view of our constituents and of patients. There is much that is actually deteriorating—for example, in relation to waiting lists. As we all know, waiting lists are one of the Government's central targets. However, formal waiting lists have gone up since the general election and have only now gone back to what they were at that time. In my area, Bromley has a most efficient national health service trust which does a good job for its patients—in referring to that I am being extremely fair to the Secretary of State—but even there the number of people on the waiting list is still more than 6,000, as it was at the general election.

That change is nothing like the 30 per cent. mentioned by the hon. Member for Ilford, South (Mr. Gapes) for his area; in fact, the change is less than 4 per cent. since the general election. The problem is that the number of people on the waiting list for the waiting list has increased; it has gone up by about 250,000 countrywide and has certainly increased substantially in Bromley. Furthermore, more operations are cancelled than previously; five operations a day have been routinely cancelled during the past few weeks. One day, more than 50 per cent. of operations were cancelled. Bromley used to take great pride in its operations service; it can no longer do so—not, of course, as a result of the actions of the consultants, the nurses and so on, who do the best they can, but because of the situation created by the Government.

The problem is not only the waiting times per se for ordinary surgery, but the fact that the waiting time for admission to a bed via the accident and emergency department is now the longest ever recorded in Bromley. As my hon. Friend the Member for Uxbridge (Mr. Randall) pointed out, in his notably fair-minded and humorous speech, that is one of the tests that we must consider—the number of people on the waiting list and the time it takes for them to be seen.

Last winter, the accident and emergency service was a disaster in Bromley; on 44 per cent. of days in December, January and February restrictions were placed on admissions to the A and E department. There were delays in admitting patients to the department on 80 per cent. of the days. I am sure that Labour Members are well aware that, in their own constituencies, there were figures similar to those for that efficient NHS service in Bromley.

There were some distressing cases; for example, an 87-year-old lady with cardiovascular problems had to wait more than 20 hours. I will not refer to such examples at length, because we are all familiar with such events. However, they should not occur; even the Bromley community health council—our local health watchdog—stated that such cases should not happen. However, last winter they happened in the NHS in London. Why did they happen? Some reasons are not under the control of the Government. I accept that winters vary in their

severity, and, accordingly, the demand on services is greater or less, and that last winter was not a particularly good one.

However, some things are under the Government's control—one of which is how they handle the money that they allocate to the NHS to deal with winter emergencies. For example, in the case of Bromley, the problem was made much worse because the money to deal with those winter pressures did not arrive until December. I ask hon. Members to imagine that. When does the Secretary of State think that winter starts? As a result, there was no possibility of real planning for the winter emergencies. How could one expect to recruit staff at a moment's notice to deal with acute problems when one did not know until December how much money would be received?

Those are the sort of problems that we had to face. The fact is that the Government were incompetent in the way that they handed out the money—never mind the amount, although that was too small, as the chairman of the health authority pointed out.

The subject of the London ambulance service was raised by my hon. Friend the Member for Rutland and Melton (Mr. Duncan), and I hope that the Minister will mention it when she winds up the debate. The great breakthrough in improving efficiency and performance and achieving targets came when ambulance services throughout the country achieved trust status. As a consequence of that, many ambulance services—Staffordshire, Essex and Kent, to name but a few—became excellent services, performing extremely well and meeting all their eight and 14-minute targets.

The London ambulance service has lagged behind, but, as a consequence of measures that the Conservative Government put in hand, its performance had been steadily improving, year after year. However, it has now collapsed all over again, and we read in the *Evening Standard* that only two out of five ambulances arrive within eight minutes—the target is being only 40 per cent. achieved. Why is that?

Mr. Dobson: It was 50 per cent., not 100 per cent., before.

Mr. Horam: Exactly—it was 50 per cent., but it has now gone down to 40 per cent., which is a deterioration of 10 per cent. under the Labour Government. Because of simple incompetence, the situation has deteriorated since Labour got into power. The story is the same in the London police service, and we now have fewer police in London. The fact is that, since Labour got into power, things have got worse in accident and emergency units, on waiting lists and in the ambulance service.

As London Members of Parliament, we all know how important primary care is and how dependent on it we are. Hon. Members on both sides will admit that the Conservative Government did a great deal to improve the quality and quantity of primary care in London. We disagree on the question of GP fundholding, but the right way to deal with what the Government perceive to be the problems arising from GP fundholding—that it may, in certain circumstances, increase the number of tiers in the health service or affect the way in which patients whose GPs are not fundholders are treated—is to make every GP a fundholder, not to level down and create large collectives that lead to increased bureaucracy. The £150 million that the Government have spent creating that extra bureaucracy would have been far better spent on the front line of GP fundholding in London.

If we are honest, we have to acknowledge that there is much wrong in the health service in London. Some worthwhile things are happening, but the Government can only say of many of them that they were inherited from the Conservatives. The Labour Government inherited NHS Direct—a very good thing which we were working on before the general election. They inherited the private finance initiative—as has been pointed out, 31 of the 35 new hospitals being built are financed through the PFI.

The Labour Government have reaped where the Conservatives sowed—they had no ideas about the health service when they were in opposition, and they have none now. All too many of their ideas were started by the Conservatives and inherited by Labour, and there are fundamental problems that the Government are not tackling—they cannot even manage within existing constraints without displaying the sort of incompetence seen in Bromley last December. The only possible thing to say to someone who is ill is, "Do not be poor, do not be old, do not need expensive drugs, and do not live in London."

6.48 pm

The Minister for Public Health (Ms Tessa Jowell): That is one of the more extraordinary speeches that we have heard from the Opposition Benches—perhaps it was caused by a bout of pre-election fever afflicting the hon. Member for Orpington (Mr. Horam).

Let me try to get back to the purpose of the debate, which is to give us an opportunity to set out the ways in which the Government have been setting about the process of modernising the national health service in London. Modernisation is about rebuilding the national health service: integrating health and social care, driving up standards of care, making the NHS more accessible, tackling health inequality and tackling the root causes of ill health.

We need to do that because London is a capital divided—a city of great extremes containing some of the richest and some of the poorest parts of the country. In my own inner-London constituency, one can pass from one area into another where life expectancy is up to eight years less, simply by crossing two roads, so short is the walk from affluence to poverty. The City—the financial centre of Europe—deals with billions of pounds every day. However, Newham in the east end of London, is the second most-deprived local authority in Britain. In fact, 13 of the poorest local authority areas in the country are in London.

London has more high earners earning £750 a week or more and more low earners earning £100 a week or less than anywhere else in the country. London is a city of contrasts. Inequality is the overarching theme that we considered in tackling London's health. That is why my right hon. Friend the Secretary of State commissioned the report by Sir Donald Acheson on inequality in health. That is why a centrepiece of our forthcoming health White Paper will be detailing the way in which we will meet our aim of improving the health of the poorest people in London and the rest of the country faster than we improve the health of the population overall. That will not be easy.

The chances of dying before the age of 75 are almost twice as high in some areas of east and south London—such as Newham, Tower Hamlets, Southwark and

[Ms Tessa Jowell]

Lambeth—as in the least-deprived parts of the capital, such as the City of London, Bromley and Kingston upon Thames. Infant mortality rates in inner-city London are some of the worst in Europe. Even some of the healthiest parts of London have higher infant mortality rates than the worst parts of Stockholm.

Those facts tell their own story. Hon. Members will be aware of other risk factors—for example, London has some of the lowest rates of immunisation and screening take-up. Those factors dictate our course of action in improving the health of Londoners, which is the purpose of modernising London's health service. My hon. Friend the Member for Regent's Park and Kensington, North (Ms Buck) and several of my other hon. Friends referred to the importance of investing in primary care, particularly in order to reduce the number of isolated, single-handed practices. We must also address the problem of unequal access to care and the extent to which, for too many people, access does not necessarily match the need for care.

Modernisation means tackling those issues. As my right hon. Friend the Secretary of State set out, we are doing that by establishing health action zones, education action zones and sure start—which has been given the go-ahead in Camden, Haringey and Southwark, with much more of London to be covered in later announcements. They are the practical ways in which we will begin to remove the obstacles to the improved delivery of health care and improved health for Londoners.

If we look back at the previous Government's record, we will see that nothing crystallises their folly more than what they did to London's hospitals—particularly their mad claim, which proved to be disastrously wrong, that London had too many acute beds. The Turnberg report compared the situation in London with that in the rest of the country and concluded that London did not have more beds than it needed. We are determined that the number of beds should be based on a rational assessment of need, which is why, last September, my right hon. Friend the Secretary of State announced a national bed inquiry to ensure that in London, as well as the rest of the country, the national health service is equipped with the resources and beds to meet the demands of patient care.

Mr. Wilkinson: Will the right hon. Lady give way?

Ms Jowell: No. I am very short of time and I have cut short the winding-up speech so that I can respond to the debate.

This debate is an opportunity to report on progress in implementing the Turnberg recommendations, all of which we accepted, which will take 10 years. The report calls for action and investment in primary care, mental health, intermediate care and community services. In the judgment of the Turnberg panel, none of those services was up to the standard that the people of London had a right to expect. My hon. Friends the Members for Eltham (Mr. Efford), for Upminster (Mr. Darvill) and for Wimbledon (Mr. Casale) all expressed concerns about that.

I say to the hon. Member for Southwark, North and Bermondsey (Mr. Hughes), who asked about action on delayed discharge, that we shall consult in the summer on guidance for the approach to that problem, so that we can take practical measures to tackle it.

The Turnberg panel did a remarkable job and we are grateful to it. However, we must be clear that putting those recommendations into practice will take the next 10 years.

Modernisation of capital investment in London is critical. At least 50 primary care premises will be improved this year, benefiting around 100,000 patients. In the biggest hospital building programme in London, £1.2 billion will be spent on new and improved modern hospitals. My hon. Friends the Members for Hornchurch (Mr. Cryer), for Ilford, South (Mr. Gapes), for Upminster and for Romford (Mrs. Gordon) referred to the Oldchurch hospital, which is being considered by Ministers.

Modernisation schemes are planned or under way at 32 of London's accident and emergency departments, and improvements include new ventilators, cardiac monitors and anaesthetic units at the Royal Free hospital, a new X-ray room at Kingston hospital and an admissions ward at Epsom general. Whipps Cross hospital, which had problems last winter, had some of the most rundown facilities, and the trust is to be allocated £695,000 from the capital modernisation fund to enable it to make improvements in the flow of patients through the accident and emergency department by redesigning ambulance arrivals and resuscitation areas.

Several hon. Members expressed concern about the London ambulance service. Of course we share their concern about its performance. The service's problems have been exacerbated by absenteeism and staff shortages, but it is responding to more calls than ever. The London regional office will be working closely with the London ambulance service to ensure that its standards are those that have been promised.

We have made fantastic progress in tackling waiting lists. To hear the Opposition try to rewrite the facts is, frankly, extraordinary. The creation of a Greater London Authority and a mayor for London gives us the opportunity to charge the mayor with the major responsibility of safeguarding Londoners' health.

We have heard the usual litany from the Opposition today—they have talked down the national health service and its sustainability. They are a party in desperate search of a policy.

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

MEMBERS' TRAVEL (NATIONAL PARLIAMENTS AND EUROPEAN UNION INSTITUTIONS)

Motion made,

That the Resolution of 6th December 1991 relating to travel by Members to European Community Institutions be rescinded.

That, in the opinion of this House, provision should be made as from 1st April 1999 for reimbursing Members in respect of the cost of travelling on parliamentary duties between the United Kingdom and any European Union institution in Brussels, Luxembourg or Strasbourg or the national parliament of another European Union member state and any additional expenses necessarily incurred in such travelling, subject to the limit that

(1) the amount payable to a Member in any year, beginning with 1st April, shall not exceed the aggregate of—

(a) the cost of a return business class airfare for the journey on the assumption that the journey begins and ends at a London airport and that the destination is any of the

three cities mentioned above or the location of the national parliament of a European Union member state; and

(b) twice the corresponding civil service class A standard subsistence rate for the time being in operation; and

(2) expenditure in pursuance of this Resolution within financial year 1999–2000 shall not exceed the total currently planned for expenditure on travel by Members to European Union institutions within that year.—*[Mr. Allen.]*

Hon. Members: Object.

Trainee Obstetricians

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Allen.]*

7 pm

Dr. Evan Harris (Oxford, West and Abingdon): We are heading towards making redundant a number of ready-to-be consultants, which the national health service desperately needs and who have cost the country a fortune to train. I shall set out the figures involved, then describe the demand for consultants and consider some of the problems meeting that demand and some of the potential solutions to both the immediate crisis and long-term work force planning problems.

In a written answer from the Minister of State, Department of Health, the hon. Member for Southampton, Itchen (Mr. Denham), which I received today, I was told that there are 117 specialist registrars in obstetrics and gynaecology who hold national training numbers, NTNs, and are therefore eligible to take up consultant posts and who have obtained their certificate of completion of specialist training, CCST, but for whom there are no consultant posts available. Of those 117, 86 had been in that position for more than six months.

Similarly, it was reported in January that 112 specialist registrars holding NTNs and with CCSTs had no consultant posts to go to, of whom 23 completed their training 18 months earlier. It was envisaged then that 82 more people would be in such a position by March 1999, of whom only a few would be mopped up by newly established consultant posts and the filling of consultant vacancies from retirement and death.

The number of new CCST holders who will complete specialist training in 1999-2000 and 2000-01 has been estimated to be 188 and 122 respectively. Similarly, Department of Health figures for the next three calendar years, are 137, 185 and 100 respectively. Either way, that makes for about 500 trainees with NTNs who are eligible to be consultants and waiting for posts, on whom this country has spent a great deal of money. At the current rate of consultant vacancies and establishment of new posts, such people will mostly have to be made redundant or find other sources of income. That is clearly unsatisfactory.

According to another written answer, it costs £160,000 just to put a medical student through medical school. The cost of training a doctor up to CCST level in obstetrics and gynaecology can be estimated by adding up the element of their salary that is paid for annually through the medical and dental education levy—generally half the basic salary, except in the house officer year, when it is 100 per cent. of the basic salary. Even a quick calculation suggests that an average general and specialist training period of about 10 years costs at least another £150,000—making a grand total of about one third of a million pounds per doctor, for many of whom there will be no consultant post.

It has already been made clear to me by individuals that they will not be hanging around waiting to be sacked when the 18-month stay of execution runs out on those with certificates of completion of specialist training. They will be moving abroad or into other jobs. I have heard of one trainee who plans to become an air hostess because she cannot bear waiting around with no likely career progression.

[Dr. Evan Harris]

There is a desperate need for more consultant posts in this country. Let me make clear the current planned rate of expansion. The Department of Health has indicated that about 50 consultant appointments were made in the past year. My understanding is that about half those were vacancies through retirement and other causes and about half were newly established posts. At that rate, about 350 of the 500 trainees with CCSTs who will be eligible to become consultants over the next three years will have no posts to go to. It is a problem of degree of magnitude, not something that can be improved quickly or without the radical action that I will be urging on the Government.

This country is in desperate need of additional consultants, particularly in our obstetric units. The fourth and fifth reports of the confidential enquiry into stillbirths and deaths in infancy have indicated that about 80 per cent. of intra-partum deaths—deaths during labour—that were identified for the study, were criticised for sub-optimal care because alternative management would reasonably have been expected to make a difference to the outcome in about half the cases and might have helped in another quarter.

The confidential inquiry into maternal deaths from 1991 to 1993 raised concerns even then about a possible lack of senior obstetric consultant input into the care of critically ill women. It drew attention to inappropriate standards of care due to inappropriate delegation of responsibility for clinical management to relatively inexperienced junior doctors. The evidence from confidential inquiries shows that we are letting down the women of this country in the quality of service we are providing.

In addition, the confidential inquiry into peri-operative deaths, which impacts on gynaecological emergencies as well as operative obstetric emergencies, indicated that direct consultant involvement in emergency surgery, particularly out of hours, may have led to an improved outcome for many patients. That is now accepted wisdom and best practice in the health service.

The Minister will be aware of the cost to the health service of clinical negligence in obstetrics. It dwarfs the cost of clinical negligence and litigation in other specialties. The clinical negligence scheme for trusts has identified the importance of consultant input in the labour ward and suggested that a standard of at least 40 hours of consultant sessions on the labour ward during the working week is desirable. That was backed recently by the joint report of the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives which, for the first time, have come together to endorse clear recommendations for consultant expansion, among a range of other suggestions.

There is a need to expand the number of consultants to improve the quality of care for women and to reduce the enormous costs of litigation as a result of inappropriate care, perhaps because of inappropriate levels of experience among the doctors concerned.

According to figures I have seen, which are not disputed, only 28 new posts were established in 1998, as opposed to vacancies, of which only a similar number were filled. Yet there were 37 appointments of non-consultant career grade doctors in 1998 alone. There is no way that the Government will be able to direct the consultant expansion we need while there is a free-for-all in medical work force planning. Answers that the Government have given to me show that they accept that it is still a free-for-all for trusts. They say that it is for NHS trusts to decide the number and grades of staff they need. That is a free market in staff. It does not allow the Government easily, if at all, to implement their policies in terms of quality and of reducing litigation costs to trusts which are, for better or worse, concerned with making the books balance in the short term.

We have an immediate problem, and various solutions have been proposed. One solution is for those doctors to continue occupying specialist registrar posts; but that will not do. They would either block slots for new trainees, or impose an extra cost on the national health service as their slots were filled by newer trainees. Therefore, additional money should not be spent on prolonging their tenure in those posts, and any available money should be invested in ensuring quality and in solving the problem once and for all. Regardless, keeping those doctors on in those posts for much longer would continue to deprive future consultants of those training opportunities.

Another proposal is to do nothing or to fiddle about with pilot schemes, which—judging by a letter of 28 April from Mr. Hugh Taylor, the NHS director of personnel—the Department of Health currently seems to favour. The letter quite accurately describes the current stark situation, and makes no bones about the crisis engulfing medical work force planning. It is not satisfactory to wait. Staff will leave, and quality and care will not improve without direct investment in consultant posts. Regardless, it simply will not be possible to remove junior doctors, as envisaged in the letter.

The letter proposes that temporary non-consultant posts should be created for a further 12 months. Therefore, by definition, the posts—unless they are a continuation of training posts, in which case one wonders from where the funding will come—will be non-consultant career grade. It would not be possible for the health service to remove doctor posts, at either senior house officer or specialist level, by entirely eliminating slots or by not filling specialist registrar slots with visiting trainees, who are critically necessary to cover out-of-hours work rotas. Without them, the junior doctors hours initiative—which, this week, has featured so prominently in the media—will be under further pressure.

Perhaps the Government intend that the proposed 12-month extensions for doctors—who are ready to be consultants—should involve on-call duties with junior doctors filling the posts they are seeking to leave. I have heard a rumour, from the Trent region, that a doctor was promised a post in which he would receive 50 per cent. pay—the standard on-call overtime rate—but would not be paid for daytime work. Doctors would therefore be allowed to use NHS research facilities, but would not be able to make their mortgage payments.

The Government's proposals that I have seen would not be effective. Perhaps the Government are seriously considering trying to tempt trainees into some type of non-consultant career grade post—such as the 12-month temporary extension—but such a post would clearly be a blight on a trainee's curriculum vitae. They would not be a popular option. It is also not clear how the posts would be paid for. If no extra money is provided, and training slots are left as they are, the new posts will impose an extra cost. It would also not be satisfactory to seek to

remove medical and dental education levy funding to pay for posts in other specialties. However, if extensions are required but there is no additional Government funding, that funding will have to be used.

None of those solutions is a real option. The only solution is a centrally funded expansion of consultant posts. It would cater, in waiting list initiative cases, for improved training, supervision and service; for increased cover on obstetrics wards; for decreased litigation and litigation costs; and, by investing in adequate senior medical cover, for insuring against problems in recruiting senior nurses and midwives. That is the solution, and it would be true modernisation of the health service. If the Government would only use some of their funds to fund those posts, it would solve all the problems that I have described. Moreover, it is the action that has been called for by the British Medical Association and the Royal College of Obstetricians and Gynaecologists.

The joint report which I referred to earlier called for 24-hour consultant cover on big obstetric units and 40-hour a week consultant cover with no other clinical duties on obstetric wards during the working day. That implies an increase of around 300 in the number of consultants. That is the number needed to deal with the problem in the short term.

However, there are also longer-term issues. We must try to prevent the problem from arising again and secure the consultant expansion that the health service needs to provide a consultant-based service. The solution is clearly to restore manpower controls and end the free-for-all. There should be a limit to staff grade appointments back to 10 per cent. of the consultant work force, which would give incentives for trusts to expand their numbers of consultants rather than the non-consultant career grades. Associate specialists should once again become personal appointments, not advertised as additional non-consultant career grade posts. We should create paths back to training for those in non-consultant career grades who have been lured into those posts for lack of consultant opportunities.

We should ban the creation of illegal SHOs with no staffing or training approval. It is outrageous that doctors are led into applying for those posts when they hold no training or staffing approval because there is inadequate training in the posts. We should ban the use of non-standardised posts, which lead to poor-quality care and confuse patients. If a patient sees the word "specialist", they assume that the person is a consultant. That is the European term and the term that the Government use. Instead, trusts have created trust specialists and trust grade doctors willy-nilly as a short-term, cheap, expedient way of getting through service work of a lower quality than that which consultants offer.

I accept that planning is difficult. Having too many junior doctors causes this sort of problem, while having too few can hold back the consultant expansion that could develop the specialty. The answer is clearly to have more central control of manpower resources. I speak from experience, having served on the central manpower committee, which is a joint committee of the profession, and having worked in the area for three years.

The final aspect of my solution is to give 100 per cent. of the basic salary of trainees to deans to use within the medical and dental education levy. That would be a powerful tool for ensuring that trusts were rewarded for consultant expansion by attracting new specialist registrar slots and would give some protection of training for juniors against the exigencies of the service. I sincerely ask the Minister to take action to solve the acute immediate problem and to take on responsibility for the long-term solution. We have a duty to women and we must not scrimp in quality care. We have a duty to trainees and we must not waste doctors.

7.18 pm

The Minister for Public Health (Ms Tessa Jowell): I have listened with great interest to the points raised by the hon. Member for Oxford, West and Abingdon (Dr. Harris). He is right to say that there is a serious mismatch between the number of fully trained specialists in obstetrics and gynaecology and the number of consultant jobs available. We are rightly concerned about that.

I should like to set out the background. By the end of April, there were 117 doctors who had completed their specialist training in obstetrics and gynaecology but had not found suitable posts. We expect that, over the next three years, the number of specialists completing their training will be 137, 185 and 100 respectively. Between 1992 and 1997, consultant expansion in the specialty grew by around 4.5 per cent. a year. To absorb all those doctors completing their training into consultant posts over the next three years the consultant expansion will have to increase to approximately 10 per cent. a year.

This difficult and complex situation needs to be handled sensitively and carefully. There has clearly been a failure to appreciate fully the supply and demand position for the specialty and in particular the pace of change in relation to consultant expansion.

We have already acknowledged the need to look more closely at work force planning processes—locally, regionally and nationally—so as to ensure a better match in the future between those trained and the jobs available in all specialties and professions. We will be undertaking work over the next few months with that in mind.

In the short term, we accept the need to deal with the immediate problem of career prospects for those currently training in obstetrics and gynaecology, including the current surplus of fully trained higher specialists. For that reason, we set up a small working group last autumn including representatives from the Royal College of Obstetricians and Gynaecologists, the Royal College of Midwives, the joint consultants committee, the junior doctors committee and NHS management. The group reviewed the position and proposed a way forward.

The working group recognised that there were strong arguments on quality grounds—to which the hon. Gentleman referred—for balancing an increased emphasis on midwifery-led services with access to the best-quality medical advice and expertise to deal with emergencies and difficulties. It noted that, in practice, the ratio of consultants to juniors was lower in obstetrics than in most other specialties. It also expressed concern about the numbers of appointments that were continuing to be made to non-consultant career grade posts.

The working group noted the joint report from the RCOG and RCM, "Setting Standards for improving Women's Health; Safer Childbirth", which dealt specifically with staffing and organisational issues. The

[Ms Tessa Jowell]

report recommended greater consultant cover on labour wards in all but the smallest obstetric units. The RCOG has sent a copy to all NHS chief executives. The group also considered another report from the joint consultants committee which discussed issues about consultants' job plans in obstetrics and gynaecology. The JCC proposed changes to consultants' working patterns in future to provide for a consultant-based service.

The working group agreed that a combination of short, medium and long-term action was needed to address the situation. In the short term, it was agreed that it was imperative to engage the NHS in discussions about staffing and grade mix in obstetrics and gynaecology.

My officials have taken action to ensure that that happens quickly. A series of workshops is about to be arranged by each regional office to address that specific issue. They will not only look at the urgent and immediate problems of current surplus specialists without appointments, but address issues connected with those currently in specialist training and their career prospects. It is important not only to look at our current problems, but to consider the numbers in training.

We want two main outcomes from the workshops: first, to discover ways to find employment quickly for current surplus holders of the certificate of completion of specialist training, and in so doing improve the quality of current obstetric services, and secondly, to secure agreement from a number of trusts to act as pilot sites to evaluate different ways of working and staffing profiles which have less reliance on juniors and more input from qualified staff—midwives and fully qualified specialists.

My officials met representatives of each regional office at the end of April, and workshops are now being set up. We expect the first one to take place in July, probably in the west midlands. In the workshops, we will be working jointly with the profession, as was agreed by the working group.

Dr. Harris: The Minister is hinting at consultant-only units with no junior doctors; something that has been suggested in other specialties, including by researchers in my area in Oxford. However, that will cost money, as it will take a lot of consultants to give that on-call cover. Will there be new funding as part of the short-term and long-term solution?

Ms Jowell: I am setting out the stages by which we intend to address the problem. The first stage is to engage in joint discussions with the colleges, the working group and the NHS to address the short-term problem in the context of the need for clarity about the long-term position.

In the meantime, there will be continuing local action aimed at discussion with the postgraduate medical deans, who are continuing to extend the training period of all newly qualified specialists for as long as 18 months to give them time to secure a post. They will also continue to offer advice and help to all specialist trainees in obstetrics and gynaecology, and give particular support to CCST holders experiencing difficulties in securing a post.

Postgraduate deans will also explore ideas and opportunities aimed at improving the career prospects of all specialist trainees in obstetrics and gynaecology, including the feasibility of switching to another specialty where career prospects are better. I understand that the RCOG is having discussions with the Royal College of Surgeons to consider the feasibility of whether specialist trainees could, at an early stage of training, switch to a surgical specialty. Similar discussions with the Royal College of General Practitioners will also be held. We are fully supportive of the RCOG in its efforts to find solutions in this way. We want to work with the college and support it.

We are encouraging regional directors—through local workshops, and action by deans, consortiums or local medical work force advisory groups—to persuade trusts to offer temporary appointments of 12 months to CCST holders on fixed-term contracts. Such posts would be distinct from career-grade posts, and would be open to competition. Essentially, these would be developmental posts, with particular emphasis on new ways of working; possibly in the context of the pilot studies that I have already mentioned.

As I have said, the problem of surplus specialists in this specialty is multi-factorial and complex. Equally, solutions likely to improve the career prospects of those currently engaged in specialist training, or those who have recently completed training, are likely to vary. Such solutions will be thoroughly explored with local NHS management, by the profession and by my officials, as appropriate.

We have already taken steps this year to reduce higher specialist training opportunities in this specialty to ease the situation. In the light of advice from the specialist work force advisory group, which considers future investment in training across all medical specialties, we have reduced training opportunities by 76 places during this year. This will have the effect of restricting entry to the specialty to 65 places nationally. This decision was taken to avoid the detrimental effect of closing entry to the specialty altogether, given the knock-on effect that that would have on senior house officers and their career intentions.

Dr. Harris: Before she finishes, can the Minister guarantee that none of these doctors—who have cost us at least £300,000 to train—will be made redundant this year? Will she address the question of bringing back manpower controls?

Ms Jowell: Every possible effort will be made to ensure that those 117 people are found jobs. That cannot be a guarantee, but I have set out the steps that the Department intends to take to address a completely unacceptable situation. The remedy lies in immediate action—which we are taking—and a sustained, long-term assessment of the need for consultant posts and the deployment of consultant posts in the specialty.

The issues throw into sharp relief the difficulties associated with work force planning. In some respects, there have been improvements in recent years—for example, in addressing shortages in specialities such as anaesthetics and accident and emergency—but minimising shortages or over-supply remains a difficult balancing act. We must look carefully at our approach to planning—

The motion having been made at Seven o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at half-past Seven o'clock.

House of Commons

Friday 7 May 1999

The House met at half-past Nine o'clock

PRAYERS

[MADAM SPEAKER *in the Chair*]

Orders of the Day

Company and Business Names (Chamber of Commerce, etc.) Bill

Not amended in the Standing Committee, considered.

Clause 2

APPROVAL OF CERTAIN COMPANY NAMES

9.33 am

Mr. Eric Forth (Bromley and Chislehurst): I beg to move amendment No. 1, in page 1, line 21, leave out

'at least one relevant representative body'

and insert

'all bodies and persons who appear to him to have an interest'.

Madam Speaker: With this, it will be convenient to discuss the following amendments: No. 4, in clause 3, page 2, line 6, leave out

'at least one relevant representative body'

and insert

'all bodies and persons who appear to him to have an interest'.

No. 9, in clause 4, page 2, line 10, leave out Clause 4.

Mr. Forth: It falls to me to congratulate, and I happily do so, my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) on having so skilfully steered his Bill to this stage in its passage. It remains for us to give it proper consideration.

Although my current task is to explain the reasoning behind amendment No. 1, I hope that, on Third Reading, at the very least, we shall be able to explore—I was about to say again, but I do not think that we have done it yet—some of the unresolved issues that have arisen during our consideration of the Bill. I should give my hon. Friend the Member for South Cambridgeshire clear warning that that is my thinking—as I know that, with his eloquence and skill, he will be able easily to persuade me, but I shall require such persuading on one or two matters.

Mr. Andrew Lansley (South Cambridgeshire): Although it is a happy instance that the Bill, which I am privileged to promote, is securing support on both sides of the House, if we are not careful, a possible consequence is that each of the Bill's aspects may not be properly considered before the Bill becomes law. I therefore hope that, in the course of today's proceedings, we shall be able to allay my right hon. Friend's concerns.

Mr. Forth: Let us not prejudge anything. Consideration is what we are here for, and those matters will undoubtedly be dealt with properly.

I tabled this group of amendments because, I confess, I have from the outset had a sense of unease about the Bill—its self-evidently regulatory nature immediately put my mind on the alert. Although it is always possible to argue that regulatory measures are not only justifiable but required, surely the burden of proof and of argument always rests on those wishing to introduce a regulatory measure, rather than the opposite.

I am delighted to see that the Secretary of State for Trade and Industry is with us today. I am sure that what I have just said about regulation would meet with nothing but support from him, as those on both sides of the House are now at one—certainly in our rhetoric—in disapproving of regulation. The irony is that we are expected today to approve a regulatory measure.

Given the principle that the burden of proof is on those who would regulate—which I do not quite accept, yet—I should like to determine whether the provisions in this group of amendments might make the regulation mechanism as open, even-handed and acceptable as possible.

The Bill states:

"It is the duty of the Secretary of State to secure that the expression 'chamber of commerce' . . . as an expression"

requires registration and the approval of the Secretary of State.

Clause 2 goes on to say:

"Before determining . . . whether to approve the registration of a company name . . . the Secretary of State must consult at least one relevant representative body."

I grew alarmed at that point.

I was quite surprised, knowing him as I do, that my hon. Friend the Member for South Cambridgeshire had included such a phrase in his Bill. I should have thought that he would want to encourage the most open approach possible to the matter, and to ensure that his Bill, in dealing with the process of registration, should be able to demonstrate the widest possible basis of consultation, and therefore of support, for the operation of its provisions. The House will therefore appreciate my surprise when I saw the phrase

"must consult at least one relevant representative body."

My suspicions grew. I thought, "If that one relevant representative body was the chamber of commerce itself, or the umbrella organisation"—which, today, has kindly provided us with some excellent briefing material, to which I suspect many us may refer on Third Reading, if not before, and for which we are very grateful—"what sort of openness would there be?"

I begin, already, to get the impression of an inward-looking and incestuous approach to the whole business, which makes me feel—I must confess—rather unhappy.

Mr. Tony Colman (Putney): At the beginning of his speech, the right hon. Gentleman eloquently expressed his concerns about the Bill's regulatory nature. However,

[Mr. Tony Colman]

clause 4 clearly states that it is a self-regulatory measure that will be operated within the British Chambers of Commerce and the Scottish Chambers of Commerce. Does he accept that it is a self-regulatory measure, which the chambers of commerce are themselves able to operate?

Mr. Forth: Would that that were so, I should be much happier about it. Today, however, we are regulating and creating statute; and, by doing so, we are involving the Secretary of State. I am sure that we are all very confident with the current incumbent in that post, and that we have every confidence that he will use the most excellent judgment in these matters. However, the trouble with legislation is that it is not only binding on this Secretary of State, but Secretaries of State for ever and ever. I do not know whether we would have been so happy with an immediate predecessor of his or whether we will be so happy with whoever comes after his no doubt long and distinguished period in office. The Bill is not self-regulation, but regulation by statute, with a duty being placed on the Secretary of State to approve registration.

Mr. Colman: I understand that the Bill has been urged on the House by the chambers of commerce. They see it as necessary to enable self-regulation.

Mr. Forth: The hon. Gentleman and I may have to disagree. Giving the Secretary of State a duty and various powers, including the power of registration, is not self-regulation. Self-regulation would involve the chambers policing the use of the title, giving their approval—which I understand that they already try to do—and telling the world at large that if something calling itself a chamber of commerce has their stamp of approval, it could be reckoned to be okay, but if not people should be suspicious of it.

I have no problem with that approach. Indeed, I rather favour it and have tried to encourage it for various businesses. However, that is not what the Bill is about. The chambers of commerce want the Secretary of State to be involved by statute with specific powers to ensure that those whom the existing cosy collective disapprove of are not allowed in. We shall have to return to that on Third Reading. I do not want to digress unduly, but it is already clear that the cosy cartel wants to remain as it is and to provide a mechanism to avoid any thrusting, new, exciting, dynamic bodies being allowed in. That is a paraphrase of the process, but it makes me suspicious.

The amendments would make an important difference. The Bill says that

"the Secretary of State must consult at least one relevant representative body."

It would be for the Secretary of State to judge who that relevant representative body was, but we all know who the most likely candidate would be, given the genesis of the Bill. I would be more comfortable with opening the process up in the way that my amendment describes. Indeed, I insist on it. The Secretary of State should consult

"all bodies and persons who appear to him to have an interest".

I started to jot a list more or less off the top of my head to give a flavour of what bodies I have in mind. It did not take me very long and I do not think that it would take the Secretary of State very long. I shall run quickly through the list of bodies that should be consulted. My wording is not prescriptive. I did not want to fall into the trap of putting an exclusive, prescriptive list in the Bill. My wording would leave the choice to the Secretary of State. Let us open the process up and make it inclusive, to use the current jargon. I shall be talking about joined-up things in a moment if I am not careful. Let us stick with an inclusive process for the moment in an attempt to attract the support of the Secretary of State and Labour Members.

Surely the Secretary of State should consult existing adjoining chambers of commerce. Any debate about the registration of one chamber immediately involves a proper discussion about the catchment area of the adjoining chambers. That emerges clearly from the helpful notes that the BCC has sent us in the past day or two. The suggested definition of the essential characteristics of a chamber of commerce, set out on page six of the briefing notes, includes the following requirements:

"owned by the business community

not owned or controlled by a faction or a commercial interest

company limited by guarantee or set up by Royal Charter

representing specific territory

not a subsidiary of another company

having, in part, a public service role"

9.45 am

Revealingly, the briefing goes on to say:

"This definition will not form part of the Bill but the Bill will provide the backdrop for such a statement to be agreed between BCC and Companies House."

That may or may not be the case, because the Bill says that the Secretary of State will have the final word.

I should like to home in on the BCC's definition that a chamber should represent a specific territory. Surely there must be an obligation to consult adjoining chambers. If we are talking about representation or ownership of a territory, the possibility of disputes emerges. The Bill is all about disputes and their resolution. It is immediately clear that adjoining chambers with a specific interest should be consulted, not an umbrella body.

Mr. David Maclean (Penrith and The Border): My right hon. Friend will be aware that one of the purposes of the Bill is to deal with chambers that take a grandiose geographical title such as the worldwide chamber of commerce of Penrith. If a geographical title could be in dispute, surely consulting a neighbouring chamber is essential.

Mr. Forth: I am glad that my right hon. Friend agrees with me. He has given a good example. He will be familiar with the idea that Penrith bestrides the world, but we might not all agree. That is the point.

The training and enterprise councils should commend themselves to the Secretary of State as bodies that can lay claim to having a representative role for the business community. They are not perfect—I am in correspondence with the Department of Trade and Industry about a brouhaha that has developed with my local TEC—but they have developed a key participatory role in the local business community. At best they perform a vital role in bringing together all the elements

of training and enterprise in their area. They should also commend themselves strongly to my hon. Friend the Member for South Cambridgeshire.

I pass rather more quickly over the Confederation of British Industry. I would not want anyone to consult the national CBI, but some of the excellent regional CBI offices, which are real bodies rather than something floating half way between here and the stratosphere, should be consulted.

Mr. Lansley: I shall seek not to interrupt my right hon. Friend on every point. It might be helpful to remind him that I referred on Second Reading to training and enterprise councils and to the TEC National Council. Clause 4 allows the Secretary of State to add a relevant representative body and might be used to add the TEC National Council to the list of relevant representative bodies, because it plays an important role when chambers of commerce and TECs come together.

Mr. Forth: Of course I accept what my hon. Friend says, but even in that typically helpful intervention he has given the game away. He is being restrictive. The Bill says one body and he says helpfully that clause 4 might allow us to add another. That is not the spirit of what I am talking about. We must open the process up and ensure that when the Secretary of State makes his important decisions he can demonstrate to the world that he has been inclusive and has asked a proper range of people so that his decision is firmly based and is less vulnerable to challenge and judicial review. My worry about the process is that if it rests solely on the existing words of the Bill, it might be vulnerable to judicial review.

Mr. Oliver Heald (North-East Hertfordshire) *rose—*

Mr. Forth: Talking about the law, my hon. Friend is about to help me.

Mr. Heald: I was not going to ask a legal question. Does my right hon. Friend think that the Bill restricts the Secretary of State in his consultations? Surely he may consult with local bodies if there are complaints. The point is that he must consult the British Chambers of Commerce. Does my right hon. Friend not feel that that is the right balance?

Mr. Forth: No. In some senses, they are the last people who should be consulted because they have an interest. They are an inward-looking, inclusive group who want to defend the status quo, as does the Bill. Once again, we have an interesting dilemma in that the Conservatives—or some of us—are the new thrusting, dynamic radicals, whereas the old fuddy-duddies who want to defend the status quo are the British Chambers of Commerce and, I regret to say, my hon. Friend the Member for South Cambridgeshire.

Mr. Maclean: I do not want to follow my right hon. Friend down that route. Clause 4 defines the relevant representative bodies, limiting them to the British Chambers of Commerce and the Scottish Chambers of Commerce. Therefore, when clause 2 says:

"The Secretary of State must consult at least one relevant representative body",

he is still limited to chambers of commerce. He cannot consult anyone else if he so wishes.

Mr. Forth: That is one reading of the clause, however it does say "at least". Having been a little cruel to my hon. Friend the Member for South Cambridgeshire a moment ago, I shall defend him now. The Bill says:

"The Secretary of State must consult at least one relevant body",

as I suspect my hon. Friend will say when he replies to this debate.

I am hardly a third of the way through my list. If I do not get on, the House will lose patience with me, and I cannot have that.

Mr. David Heath (Somerton and Frome): I am most grateful to the right hon. Gentleman and I shall not delay him long. Does he agree that widening the sphere of consultation might establish that any ambiguity in the title was only in the mind of the single respondent to consultation in the first instance and that nobody else was confused by the geographical spread of a title?

Mr. Forth: That is a helpful but typically convoluted Liberal Democrat view. The hon. Gentleman has a good point, but let me press on with my list, Mr. Deputy Speaker, before I try your patience too far.

I deliberately skipped over CBI regional offices pretty quickly. Trade associations, which are an important part of modern business life, can often play a key role in a local community. I would also add significant employers. A catchment area of a chamber of commerce may well be dominated by a very small number of significant companies that should be involved in the process.

Mr. Keith Darvill (Upminster): Surely chambers of commerce are representative in the sense that in most areas companies can apply to join them quite openly. If large employers were to be consulted, the provision would impose an additional burden on them. Surely that is not the way to reduce the burden on business.

Mr. Forth: It is interesting to hear the hon. Gentleman saying from the inclusive Government Benches that he wants to reduce the process of consultation. I would be very interested to hear the Secretary of State's view on the balance between the onerous bureaucratic process of consultation and saving companies, especially large ones, from that burden. The hon. Gentleman has raised an interesting point and I should like to hear the Secretary of State's view on it.

Mr. Darvill: I am not trying to avoid consultation because the companies will be consulted through the various organisations that the right hon. Gentleman has described. The consultation will be open and on-going, but if the Secretary of State were obliged to consult large employers, for example, the detail of that consultation would be an administrative burden that I suspect large numbers of employers would oppose.

Mr. Forth: My amendment would not place them under an obligation as its wording is more flexible than that. It simply proposes that the consultation process could include the bodies to which I have referred. Of course the hon. Gentleman is right. If, as would probably be the case, large

[Mr. Forth]

employers were already involved in the TEC, the regional CBI or a trade association, they probably would not want to go through the process again. I concede that. I do not want to press the point and irritate the hon. Gentleman as I am asking for his support for my amendment.

In the same spirit—and it is not often that I say it, but I shall whisper it—we might even consult the trade unions. I do not want to lose the support of my hon. Friends, but as we are all friends here together this morning I thought that I might mention the unions. In many cases, they will be a relevant factor in the process and therefore should not be ignored.

I now come to the last two organisations on my list. Local authorities must have a role to play in the process given that so many of them now have economic development departments and seek to involve themselves in economic regeneration and the like.

Last but not least—and I saved this in order to make my appeal to the Secretary of State—DTI regional offices should also be involved. Having some passing but now rather historical knowledge of such matters, I remember the key role that they sometimes play, often very effectively. I cannot imagine the Secretary of State neglecting to consult the regional offices, but one never knows. Again, it seems somewhat at odds with the wording of the Bill.

Without labouring it unduly, I hope that I have made the point as forcefully as I can. I believe that the present wording of the Bill is unduly restrictive and inspires little confidence that it is sufficiently open and consultative to reassure us that it has not been designed to shore up and reinforce a rather cosy monopoly that no doubt does splendid work but is now asking us by statute to protect its existing membership and, by implication, therefore, deny the process of challenge and renewal.

I shall return to the issue on Third Reading as my hon. Friend the Member for South Cambridgeshire knows that I am worried about the non-reversibility of the process in the Bill and I should like to explore it just one more time to allow him to persuade me of its merits—as no doubt he will, given the power of his eloquence. The amendments are designed to open up the consultation process and make it more credible and more soundly based. Therefore, in my view they would make it a better Bill.

Mr. Colman: Let me first declare an interest in that I was a private-sector director of my local training and enterprise council between 1989 and last year and leader of a local authority—the London borough of Merton. In that capacity I encouraged and enabled the setting up of the Merton chamber of commerce, an excellent body that has done a great deal to enhance and advance the cause of commercial enterprises in the London borough of Merton.

As this is my first involvement in the Bill, I congratulate the hon. Member for South Cambridgeshire (Mr. Lansley) on introducing it, building on the previous work of the hon. Member for Windsor (Mr. Trend). I oppose the amendments—which I hope that the right hon. Member for Bromley and Chislehurst (Mr. Forth) will withdraw—as they fundamentally undermine the nature of the Bill.

10 am

I was concerned by the description by the right hon. Member for Bromley and Chislehurst of the British Chambers of Commerce and the Scottish Chambers of Commerce as a cosy collective. He may wish to take a different view on that, as I believe that important organisations supporting business should have that soubriquet. The Bill is not attempting to retain the status quo; the status quo is confusion, where the title of chamber of commerce seems to be up for grabs by all and sundry. There must be a statutory basis for the title, and the umbrella organisations—the British Chambers of Commerce and Scottish Chambers of Commerce—should be able to regulate themselves. The Bill will strengthen the confused situation that is outlined in the briefing from the BCC.

The right hon. Gentleman mentioned a number of organisations that should be consulted. I hope to convince him that the correct body for consultation is the BCC, as the Bill attempts to ensure the high standards that are insisted upon by that body.

I have mentioned the Merton chamber of commerce, and the London chamber of commerce provides a good range of services, as does the Croydon chamber of commerce. In my constituency, there is the Wandsworth chamber of commerce and—through contacts with the training and enterprise council for Wandsworth, Kingston and Merton—I know of the chambers in Kingston.

Mr. Forth: I have no doubt that nearly all of the chambers are excellent. However, if an inadequate, tired, old chamber was well connected by the old boy network to the British Chambers of Commerce, and a new thrusting chamber in embryo wanted to establish itself, would not the hon. Gentleman be worried that the provisions of the Bill would protect the tired and old and prevent the new and dynamic from establishing?

Mr. Colman: The right hon. Gentleman makes my point, although he does so the wrong way round. If there is such a thing as a tired chamber of commerce—a strange adjective—the British Chambers of Commerce can step in and threaten, initially, that if the chamber did not return to the mark, the title could be removed. There are few controls at present.

Mr. Lansley: Under the Bill, the circumstances in which a title can be removed are those set out in section 32 of the Companies Act 1985, where there is, rightly, a tough test for removal. That test should be whether harm would result from the continuance of an organisation using the title. I hope that the hon. Gentleman will not proceed on the basis that that would happen at all lightly.

Mr. Colman: I am grateful to the hon. Gentleman. The representative bodies to be consulted are those named in clause 4—the British Chambers of Commerce and the Scottish Chambers of Commerce. I note that others might be added, but the Bill—which has been urged upon us by the British Chambers of Commerce and others—should not be lost by producing a laundry list or organisations, as the right hon. Member for Bromley and Chislehurst did.

Chambers of commerce in my area are happy for the British Chambers of Commerce to act on their behalf, and I urge the right hon. Member for Bromley and Chislehurst to get the views of his local chambers.

As a member of my local training and enterprise council—and following consultations at national conferences of TECs—I know that TECs have urged the British Chambers of Commerce to sort the matter out; although they may not have understood the complexity of the situation. The BCC has said that it cannot, and has asked Parliament for help in sorting it out.

The London region of the CBI supports the Bill. When I represented retail interests on the CBI, there was concern about the variability of the title of chamber of commerce, and the national council of the CBI will welcome this attempt to sort that out.

Mr. Forth: Is not the hon. Gentleman giving us a list of the fat cats and the establishment? Where does the small man get his say? When will he look out from that inclusive list, with which he is complacently satisfied, and allow others to be consulted? The Secretary of State always says that he regards small firms as important. I may be pre-empting what the hon. Gentleman is about to say, but his list so far seems to be a depressing list of the good, the great and the well-connected.

Mr. Colman: The right hon. Gentleman may not realise that he makes my point again, as I was going through his list. I was going to add that, as a life member of the Institute of Directors, I am aware that many smaller companies are urging support for the Bill. I urge the right hon. Gentleman to recognise that support; I urge him also to join that body. As someone who has worked for a larger company, I recognise the determination of directors in competitive sectors of the market to achieve their results.

The right hon. Gentleman mentioned the trade unions. I declare an interest, in that I am a member of the GMB; which, I am pleased to say, is centred in the London borough of Merton. That excellent organisation supports the Bill. The views of the general secretary of the GMB will be shared across the trade union movement.

Local authorities were on the laundry list of the right hon. Gentleman. As a former local authority leader, I was in favour of a similar proposal in 1996 by the hon. Member for Windsor.

Mr. Heald: Perhaps the concerns of my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) could be met by adding, after "one relevant representative body" the words, "and the hon. Member for Putney."

Mr. Colman: I am happy to provide any advice to my right hon. Friend the Secretary of State for Trade and Industry at any time, but I am sure that he will speak from a considerably more eminent range of interests. I mention my connections only because it is important that we should speak from some point of knowledge or authority. I am gainfully employed in the House and hope that the electors of Putney will return me again and again.

The laundry list of the right hon. Member for Bromley and Chislehurst is far too long, and I would slice it down to what is in clause 4: the British Chambers of Commerce and the Scottish Chambers of Commerce. As the hon. Member for South Cambridgeshire said, if the Secretary of State, in consultation with those bodies, feels that any other body should be added, that option remains. It would be wrong to have the all-inclusive formula in the amendment, which is far too wide and would defeat the point of the Bill.

I hope that the right hon. Member for Bromley and Chislehurst will withdraw the amendment.

Mr. Heald: It is clearly important to consider the issue of consultation, but we do so against the background of considerable success by the British Chambers of Commerce over recent years. I congratulate my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) on promoting the Bill and so effectively piloting it through the House, and I wonder whether that recent success is due to the fact that he was the deputy director of the organisation about 10 years ago.

The British Chambers of Commerce has enhanced the reputation and widened the network of chambers of commerce to the point at which about 95 per cent. of companies and businesses in Britain have reasonable access to their services, which include national and international trade, export supply and support services and information. That widened network and improved quality need to be protected.

The increased integrity and comprehensive character of the chamber of commerce network needs to be supported by the House—I think that all hon. Members would accept that—but it is also important that there should be adequate consultation before a company is barred from using the name "chamber of commerce". It would be wrong, as my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) said, if we ended up with a cosy set-up; but although the Bill contains the minimum requirement for the Secretary of State to consult one of the two representative bodies, it does not prevent him from going wider than that if there is cause for concern.

There is a danger with a wider list that one could end up with an excessively bureaucratic consultation process, with the usual suspects always being consulted on every application, even if that application is in no way controversial.

10.15 am

I know that my right hon. Friend would recoil in horror at the thought that whenever a chamber of commerce wanted to register its name at Companies House, the CBI regional office, the trades unions, the DTI regional office, and all the rest, would have to be consulted. I question whether consulting those people would answer my right hon. Friend's real concern, which is about the little guy: the thrusting new entrepreneur who wants to offer something new in the sector.

Mr. Forth: Perhaps I should have suggested a provision for an electoral or referendum process, which might answer my hon. Friend's point. I accept the thrust of what he is saying, but how often does he think the process will happen? The point about the burden, which he and the hon. Member for Upminster (Mr. Darvill) both made, has to be put in the context of the number of times the process is likely to be repeated. From all that I have read, I doubt that it would happen all that often. I see the sense of what my hon. Friend is saying, but we should not over-emphasise the burden that would be imposed.

Mr. Heald: I accept my right hon. Friend's point, but we often regulate with the best intentions, thinking that

[Mr. Heald]

the burden will not be significant, only to discover to our horror that a process has been set up that requires a very wide-ranging consultation when it is not really necessary, and we end up imposing burdens that we had not foreseen. I know that my right hon. Friend is one of the strongest advocates for not doing that.

I accept that we should consider the issue of consultation very carefully and not cut out the little guy—the entrepreneur—but it is possible to be too cautious about the abilities of the British Chambers of Commerce, which has established a high reputation and is seeking to improve its regulation. It would be horrified at the idea that it would want to promote a chamber of commerce that was seriously failing. In fact, I believe that it would take active steps, as the hon. Member for Putney (Mr. Colman) said, to rectify the situation.

I will be interested to hear what the Secretary of State has to say about the concerns that have been expressed, but the Opposition have welcomed the Bill and supported it throughout. We do not consider the concerns to be so serious that they need to be dealt with by means of the amendment, although we would enjoin the Secretary of State to take careful note of the points that have been made and hold the widest possible consultations when concerns have been expressed by bodies other than the British Chambers of Commerce.

Mr. Darvill: The Bill is a balanced and good measure and we should support it. I support the general thrust of the hon. Member for North-East Hertfordshire (Mr. Heald). It is important to get the right balance and I think that the Bill does that.

The amendment would tip the balance the wrong way, because there would be excessive bureaucracy and the administrative costs would be heavy on the public purse. Some of the points made by the right hon. Member for Bromley and Chislehurst (Mr. Forth) about fat cats and consultation need to be addressed—we are doing that now—but the amendment goes too far.

In my experience as a solicitor, the chambers of commerce serve the business community well. They are always looking for new members and encouraging the broader business community to get involved. I believe that the representative bodies should have their input exactly as the Bill sets out. The amendment would make the Bill too restrictive, so I hope that the hon. Gentleman will withdraw it.

Mr. Lansley: I am grateful to my right hon. Friend for the manner in which he moved the amendment and spoke to his other amendments. His vigilance in scrutinising legislation is acquiring a certain status in the House—

Mr. Forth: That is one way of putting it.

Mr. Lansley: If I may presume to offer flattery to my right hon. Friend—not something that he ever seeks—I can tell him that I am grateful for the way in which he spoke to his amendments so as to help us to examine the Bill further. As the hon. Member for Putney (Mr. Colman) noted, a very similar Bill was introduced in the previous Session. Even when a Bill clearly pursues objectives which I trust all hon. Members will think desirable, it is important that we should ensure that we legislate in a proper fashion; I take my right hon. Friend's point in that regard.

First, I shall explain to the House the impact that the amendments would have on the Bill, because that will help to set in context the reasons why I do not think the amendments would be of advantage, and therefore why I hope that my right hon. Friend will not, on reflection, press them.

Amendments Nos. 1 and 4 both relate to the Secretary of State's obligation to consult before approving the title "chamber of commerce" or related titles. One amendment relates to companies legislation and the other to business names legislation. There are two clauses that relate to those separate processes of approving names. That is why there are two amendments.

In each case the effect of the amendment would be the same—to take out the requirement to consult

"at least one relevant representative body"

and insert the requirement that the Secretary of State "must"—I emphasise the word "must"—consult

"all bodies and persons who appear to him to have an interest".

Amendment No. 9 would leave out clause 4, which specifies the relevant representative bodies that the Secretary of State should consult, and gives him power to go further and add other relevant representative bodies for that purpose.

I shall tell the House why the Bill is intended to secure consultation through British Chambers of Commerce as a relevant representative body. It may be helpful for those who read the report of our deliberations to be able to see how the Bill is designed, so I must explain that section 29 of the Companies Act 1985 provides that where the Secretary of State is approving a title that is a controlled title for the purposes of the Companies Act, he can specify by order a Government Department or other body as the relevant body for consultation purposes.

There is a parallel feature in section 3 of the Business Names Act 1985. Under existing legislation, therefore, the Secretary of State is in a position to specify that "chamber of commerce" is a controlled title and further by regulation to say that his exercise of his power in relation to such a title should be by way of consultation with a relevant body.

The purpose of the legislation is primarily to entrench the position of British Chambers of Commerce and Scottish Chambers of Commerce so that the Secretary of State is required to consult them as relevant representative bodies. An important factor that has not yet come out in the debate is that the purpose of the Bill is not to prevent the Secretary of State from consulting bodies or persons whom he might regard as persons or bodies whom he should consult, before deciding whether to approve such titles. The purpose is to constrain him to consult British Chambers of Commerce or Scottish Chambers of Commerce as the relevant representative body.

Mr. Forth: Of course I follow what my hon. Friend is saying, but is it inconceivable that at some time in the future a group of chambers might decide that the representative body was no longer representative and that they needed to set up a rival organisation that claimed to be more representative? When one names organisations in

primary legislation, one sets the requirement in legislative concrete and makes it difficult for a process of rejuvenation and renewal to take place.

Mr. Lansley: I am grateful to my right hon. Friend. I can declare a past interest in that 10 years ago I was deputy director general of the Association of British Chambers of Commerce. If we had been undertaking such legislation then, we would not have specified the association alone. We would also have specified the National Chamber of Trade, as it then was. There was more than one organisation representing bodies that operated under titles relating to chambers of commerce or chambers of trade.

That thought helpfully brings me to an important point. It is not only desirable but necessary to entrench the position of British Chambers of Commerce because, in the intervening 10 years, considerable changes have occurred in the chambers of commerce movement. For example, the National Chamber of Trade and the Association of British Chambers of Commerce have merged, and there is now no body other than British Chambers of Commerce that can lay claim to representing chambers of commerce.

It would be possible, for example, for the Secretary of State to choose to specify as a relevant representative body the International Chamber of Commerce (UK), but that is not a body with the representative characteristics of British Chambers of Commerce. It would be reasonable for the Secretary of State to consult that organisation in relation to bilateral chambers of commerce, such as the British-Australian chamber of commerce or the British-Belarus chamber of commerce, or whatever, but it would not be right for him to specify that body as a relevant representative body.

Over the past 10 years, although British Chambers of Commerce has effectively brought together a high proportion of chambers of commerce and related organisations with such titles into membership of the association, it does not seek to create an exclusive monopolistic organisation. The intention throughout has been to bring members into chambers of commerce, and chambers of commerce into membership of British Chambers of Commerce, in ways that extend the network and improve the overall standard of chambers of commerce.

We should not lose sight of the fact that one of the purposes of the Bill, and of entrenching the position of British Chambers of Commerce, is further to recognise the simple fact that chambers of commerce seek not to defend the status quo but to guarantee high standards of service to business, which they are doing through the network of 60 approved chambers of commerce throughout the country.

Once upon a time, in some regions, chambers of commerce did not provide the level of service that many businesses were looking for, but now they are, because of the British Chambers of Commerce approval system. Once, the criticism of chambers of commerce was that the service was patchy, and depended where one was.

Mr. Edward Leigh(Gainsborough): That may be no bad thing.

Mr. Lansley: Patchiness of quality is to be deprecated. It is acceptable for local organisations to decide for themselves which services to offer, but it is less acceptable if when people go to chambers of commerce either in their own area or in order to trade from overseas, or from other parts of the country, they find poor service. That is why, alongside the approval system to create a network of chambers of commerce to give national coverage, every organisation should be able to say in time that it has a chamber of commerce that provides that valuable service in the private sector, and is not dependent on a grant from Government—I am sure that my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) will applaud that. Through the accreditation system and the procedures of ISO 9000, when a business goes to a chamber of commerce it can be sure of the standard that will be applied.

10.30 am

It is not the intention of the Bill to provide that only those bodies that are approved by the British Chambers of Commerce can be called a chamber of commerce. Neither is it the intention that only those bodies that meet that quality standard of accreditation should be able to call themselves chambers of commerce. However, it is important that—in parallel with the effort that is being made by the British Chambers of Commerce and its members to raise the standard and extend the coverage of the system—they should have the protection that those who are completely outwith the system and making no effort to comply with the essential characteristics of a chamber of commerce cannot use the title. If such organisations were allowed to use the title, it might lead members of the business community to believe that they were dealing with a chamber of commerce. The essential characteristics of a chamber of commerce are that it is owned by its members; that it does not operate in the commercial interest of a member but in the wider business interest of the area it serves; that it relates specifically to a geographical area described in its title; and that it is genuinely representative of the businesses in that area.

The system is intended to be self-regulatory, because the chambers of commerce have pulled themselves up by their bootstraps in past years to ensure that they are bodies in which the business community and Government can have confidence. However, the process should not be monopolistic. In France and Italy, the continental system of chambers of commerce is exclusive and monopolistic. The chambers of commerce have public law status. They are creatures of statute and exercise quasi-public sector functions by virtue of statutory controls. That does not permit the competitive aspects of our system, or the ability of businesses to join a chamber of commerce and cause it to change.

British Chambers of Commerce does not want the continental system. It wants protection of title, rather than public law status—and there is a big difference between the two. The protection of title is the British way of doing things, because it will not create a monopoly or dependency on the Government. However, it will recognise that the Government have a role in preventing abuse.

[Mr. Lansley]

I do not suggest that my right hon. Friend the Member for Bromley and Chislehurst should withdraw his amendments because they would be difficult to administer, but they would be burdensome. The Secretary of State would have to consult all those bodies that appear to him to have an interest. The list that my right hon. Friend gave consisted of all those bodies that the British Chambers of Commerce would customarily consult. There is no difficulty with individual businesses expressing an objection to or approval of an application for title, because they are likely to be members of the local chamber of commerce or know about it.

In one case, the East London chamber of commerce existed, but the East of London chamber of commerce sought the title and the Secretary of State approved it. It is a matter for debate whether, if the Bill had been in force, the outcome might have been different, but that is not my point. In those circumstances, British Chambers of Commerce made effective representations, but the then Secretary of State felt that he could not refuse title. Under the amendments, the Secretary of State would have had to consult directly every business in the geographical area of east of London, which would have been a major enterprise.

Mr. Forth: I acknowledge the force of my hon. Friend's argument, but I hope that he can put it in context. How often would consultation have to be carried out? If it were once a day or once a week, my hon. Friend's argument would have more force. However, if it were relatively infrequent, the argument against the requirement to consult would have that much less force.

Mr. Lansley: The applications for changes in title fall into three categories. The first is applications for titles for new organisations, which are relatively infrequent. British Chambers of Commerce records suggest that they occur about half a dozen times a year. In each case, major consultation is necessary. Secondly, chambers of commerce often seek to change their titles. For example, on 20 or so occasions, chambers of commerce and industry have sought to combine with training and enterprise councils and to change their names. A further 20 or 30 of those could come forward in a short time.

The third set of applications is one that we have not mentioned in the debate, because we think of chambers of commerce as bodies that represent specific geographical areas within the United Kingdom. However, many bodies using the title "chamber of commerce" operate in the trading sphere, as bilateral chambers of commerce between the United Kingdom and other countries. Sometimes there is a rush of such applications. For example, after the dismemberment of the former Soviet Union, many bodies sought to become the bilateral chambers of commerce between Britain and the former Soviet republics. That would mean dozens of applications a year reaching the desk of the Secretary of State, who would face significant difficulty if he were required to consult all those bodies that appeared to have an interest in the trade between the two countries, which would include many of the exporters in this country.

I hope that my right hon. Friend the Member for Bromley and Chislehurst recognises the excessive burdens that would be imposed by his amendments. Although the purpose of the amendments does not transgress against the principles that he expressed in moving them, I hope that he will withdraw them.

The Secretary of State for Trade and Industry (Mr. Stephen Byers): Not for the first time, the right hon. Member for Bromley and Chislehurst (Mr. Forth) has done the House a service. He has allowed us not only to debate the narrow implications of amendments Nos. 1, 4 and 9, but to address some far bigger issues surrounding the danger of over-regulation and the tendency to which all Governments are prey to endorse the status quo and the big players already in the field which have good links with Government and can lobby effectively.

There is always an inclination to listen to the views expressed by those organisations, and we can as a consequence deny opportunity to young and dynamic organisations that are just starting out and do not have the access that established organisations enjoy. I hope to reassure the right hon. Gentleman on how the Government will operate the provisions in the Bill. I hope that he will then feel able to withdraw his amendment.

There can be no doubt that it would be a terrible mistake to introduce legislation that would prop up old and tired organisations, ensuring that they maintained a privileged position that denied opportunities to other organisations. I do not feel that the Bill will do that. The consultation provisions clearly place a specific requirement on the Secretary of State to consult British Chambers of Commerce and the Scottish Chambers of Commerce. There is nothing to stop the Secretary of State using discretionary powers to discuss matters with, or take views from, other organisations.

There is certainly nothing to stop dynamic local companies or groups of employers from making representations to the Secretary of State about any proposal. They would need to be proactive, because the Secretary of State would not seek out their views as there would be no legal requirement for consultation. However, the Secretary of State would listen to any representations that those organisations might make.

My hon. Friend the Member for Upminster (Mr. Darvill) spoke of getting the balance right. We can do so by placing a clear requirement on the Secretary of State to consult British Chambers of Commerce and Scottish Chambers of Commerce, but adding that the Secretary of State will listen to other representations that might be received. People must feel that their voices may be heard.

We must not make the mistake of putting a great burden on the Secretary of State, the Department or local bodies that would have to be consulted whether they liked it or not. The right hon. Gentleman's amendment would require the Secretary of State to consult relevant bodies, and that would have to be done whether the Secretary of State wanted it or not, and whether or not those organisations wanted to be consulted. I receive many complaints from businesses that think that we contact them a bit too much. The last thing that they want is another brown envelope from the Secretary of State or a Department.

Mr. Stephen Pound (Ealing, North): One should never say no to a brown envelope.

Mr. Byers: I had better not go down that road, although an interesting debate would ensue if I did. The type of

brown envelopes to which I was referring would be less welcome, either through the letter box or in one's back pocket.

The right hon. Member for Bromley and Chislehurst listed the kind of organisations which he felt it would be appropriate to consult. He mentioned the TEC National Council and relevant trade organisations. He was not too keen on the Confederation of British Industry nationally, but felt that regional CBIs might be worth consulting. If he would pass on their names, I would be grateful to him, as that information would be useful. He mentioned significant employers.

The most intriguing part of the right hon. Gentleman's speech was his suggestion that we should consult trade unions. That must be a first. The fact that he also mentioned local authorities makes me think he must be undergoing a conversion. I know that he was angered by the comments made a couple of weeks ago by the deputy leader of the Conservative party about the role of the private sector and public services. The right hon. Gentleman's views have been coherently argued as a point of principle, and it is a shame that the same cannot be said of the deputy leader of his party.

10.45 am

Mr. Maclean: Has the Secretary of State considered that my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) may be happier today for local authorities to be consulted because more local authorities are under Conservative control and might give a more sensible point of view than, say, Sheffield would have done in the past?

Mr. Byers: The number of local authorities under Conservative control is very small, but the right hon. Member for Bromley and Chislehurst argued for a spirit of inclusivity, and it was interesting to hear from him that local authorities of whatever political persuasion should be consulted. That is certainly a first for the right hon. Gentleman. He also suggested that Government offices for the regions could be consulted, although they would be able to express a view about the merits or otherwise of a particular application in any event.

The Bill places a requirement on the Secretary of State to consult British Chambers of Commerce and Scottish Chambers of Commerce. That does not stop the Secretary of State receiving representations from other interested bodies that wish to make them. That strikes the right balance. Representations would be taken into account in any decision ultimately taken by the Secretary of State.

We do not want to support a cosy monopoly. We want to support challenge and renewal in this and many other areas of our political, social and economic life. As Secretary of State, I do not want to be seen to prop up what is old and failing while denying opportunities to those who wish to progress and succeed.

The Bill would not deny such opportunity to anyone who wanted to come forward, to challenge the status quo or to make life difficult for local chambers of commerce. Local employers and businesses can keep chambers of commerce on their toes by acting and by talking to local business representatives. We hope that that is the right way forward. The Bill strikes the right balance, and amendments Nos. 1, 4 and 9 would create a great burden and cause confusion about the requirement on the Secretary of State to consult all relevant bodies, which would not be helpful.

I assure the right hon. Gentleman that we shall, in the light of experience, reflect on whether there is a need to add more organisations by order, as the Bill allows. Given that power and my clear commitment that representations will be considered, I hope that the right hon. Gentleman will feel able to withdraw his amendment.

Mr. Edward Leigh: As usual, the Secretary of State has dealt with the amendment with great skill and courtesy. He has given the House important reassurance, but I want to encourage my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth), lest he feels rather lonely.

Mr. Forth: It's not unusual.

Mr. Leigh: Indeed not, but those who are remembered by history are often in a minority, perhaps even a minority of one. That should not stop my right hon. Friend from speaking up for his beliefs.

The amendment is no mere technical adjustment to a minor Bill as it encompasses an important philosophical point from my right hon. Friend. I support my right hon. Friend's arguments, albeit that he may feel that he should withdraw the amendment for the reasons given by the Secretary of State.

My interest in these matters dates from when I served in the Department of Trade and Industry under my right hon. Friend the Member for Henley (Mr. Heseltine), who had a particular view of the role of that Department and its relationship with chambers of commerce. He felt that, under previous incumbents, the Department had not been sufficiently interventionist in many areas and that it should have taken more of a proactive role to encourage local chambers of commerce to join together to become more efficient and effective.

As my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) said, there is nothing wrong in that. Indeed, it is true that the network has been patchy over the years. However, a warning bell sounded in my mind when I used to sit at the feet of my right hon. Friend the Member for Henley and it sounds in my mind now. There is a danger that we take a corporatist view of these matters.

As we have been told, chambers of commerce have a long history. The first dates from 1599, from the chambre de commerce in Marseilles. Therefore, we are talking about a movement that is not only 400 years old but that was mercantilist in its inception. We do not hear much talk about mercantilist politics nowadays. Perhaps I can explain what they are. Chambers of commerce were initially designed not to open up trade to all newcomers or encourage free trade, but to ensure that those who were already engaged in trade in a locality increasingly enjoyed a monopoly. I am not accusing modern chambers of commerce of being in any way involved in that sort of practice, but that was their original function.

I think that my right hon. Friend the Member for Bromley and Chislehurst is trying to feel his way towards the argument that, while he recognises the excellent work that is being done by chambers of commerce, he does not want us to develop a system that would lock them

[Mr. Leigh]

in concrete, as it were, and which would give British Chambers of Commerce too much power to prevent new entrants coming in from the system. No one is accusing British Chambers of Commerce of wanting to do that—everyone has great respect for it and knows that it wants to create a system of chambers of commerce to provide good and adequate support to local businesses.

My right hon. Friend the Member for Bromley and Chislehurst has done the House a service in reminding us that, occasionally, organisations become a little stuffy or inward looking in their middle age and are perhaps not prepared to consider the merits of newcomers. If this debate achieves anything, I hope that the House will at least have been made aware of that point.

Mr. Lansley: I remind my hon. Friend that just over 10 years ago, at the point at which British Chambers of Commerce entered into the process of establishing an approved network of chambers with accreditation standards, it was not being given the encouragement of my right hon. Friend the Member for Henley (Mr. Heseltine) as our former and lamented colleague Nicholas Ridley was then the Secretary of State. He saw chambers of commerce as part of a body that was not corporatist in its design—he saw them as springing from the activities of local businesses rather than operating on a national basis.

Mr. Leigh: My hon. Friend has a point. At the end of the 1980s, which was before my right hon. Friend the Member for Henley became Secretary of State, Professor Bob Bennett of the London school of economics was asked to prepare a report to set out proposals for building a stronger and more credible chamber of commerce movement. Our right hon. Friend the late Nicholas Ridley was not going to stand in the way of that movement when he was Secretary of State. As much as he was fully committed to the concepts of free enterprise and new entrants to industry, he recognised that a strong and vibrant chamber of commerce movement was needed.

That is why I do not oppose the Bill—I do not think that any hon. Member opposes the point of view that my hon. Friend the Member for South Cambridgeshire is putting forward. No one is suggesting that we should allow a situation to develop in which people could set up some sort of criminal organisation, as has happened in Italy, or use the title of chamber of commerce to cover some narrow business purpose. Everyone knows that we want chambers of commerce to be strong and independent and to provide comprehensive coverage. There is no argument about that and that is why the late Nicholas Ridley was happy with the purport of the Bennett report. I doubt whether he would have wanted the proposals in the report to be taken as far as they were taken under our right hon. Friend the Member for Henley. As neither of our right hon. Friends are in the Chamber—sadly, one cannot be and the other is absent no doubt for good reasons—we do not know the nature of that debate. My right hon. Friend the Member for Bromley and Chislehurst and my hon. Friend the Member for South Cambridgeshire are both doing the House a service in trying to encapsulate the problem.

We heard a reassuring speech from the Secretary of State. Listening to him, one felt that there could be no possible concern about the Bill as drafted. After all, the Bill requires him to consult the British Chambers of Commerce on applications. He said that he will not be held back in any way from consulting other bodies, of course, but that he does not wish to over-regulate industry or to send out lots of brown envelopes. He has said that the amendment is not satisfactory because it would place undue burdens on business and the Secretary of State. All that is fine and, having listened to the way in which the right hon. Gentleman described these matters, I am sure that my right hon. Friend the Member for Bromley and Chislehurst may be tempted to withdraw the amendment. Before he does so, he should consider this point: although we have received the reassurance today that the Secretary of State has an open mind and wants to create new and vibrant chambers of commerce if they are necessary in particular areas, what will be the reality? Who will he consult?

Once the Bill leaves this place, given all the burdens that are placed on officials in the Department of Trade and Industry, will they make an effort to consult the sort of people about whom my right hon. Friend the Member for Bromley and Chislehurst was talking? Or, will it become a cosy arrangement where, in every case, the Secretary of State lays down the guidelines as to what is a chamber of commerce as the Bill sets out, someone makes an application and, as a matter of course the right hon. Gentleman consults British Chambers of Commerce? We all know how these things operate. As everyone who has had anything to do with government knows, officials at assistant secretary level are the motor force in Departments. No doubt such an official will know the official at the appropriate level in British Chambers of Commerce. The two will have a good and cosy working relationship. They will know each other well and be on first-name terms. It will be a question of the official at the DTI ringing the BCC official and saying, "John, we've had this application. What do you think?" That is the reality of what will happen.

When it is described in that way, perhaps people can understand some of my concerns and those of my right hon. Friend the Member for Bromley and Chislehurst. What will happen if there is a dispute in a local area when an existing chamber of commerce has become tired, as inevitably happens, or even corrupt in some way? I know that that does not happen at the moment.

11 am

I intend no innuendo against the present movement, but life being what it is, that will happen. A new group of perhaps younger business men, as has happened so often, might want to set up a rival chamber of commerce. We should not be too concerned because Companies House does not grant applications willy-nilly but consults the British Chambers of Commerce. My hon. Friend the Member for South Cambridgeshire says that that is not good enough and that everything must be in the Bill. I am not sure that that is always necessary, but that is the way we operate now. We can see the problems that could arise.

My right hon. Friend the Member for Henley would say that the way in which the movement developed in the early part of the century was chaotic. He likes things to be neat. He would not approve of the fact that there were nearly 900 chambers of commerce early in the century or that, perhaps typically, in the south of England, there were chambers of commerce while the north had chambers of trade.

I also fear that we could be inching our way towards a continental system of doing things, where the chambers of commerce are embedded in the structure of the state and chamber membership is mandatory. Membership is mandatory in Germany, Austria, France, the Netherlands, Italy, Spain, Hungary and Luxembourg. Those are not minor countries.

Mr. Forth: Luxembourg is.

Mr. Leigh: They are our partners. My right hon. Friend may not approve of the word, but for better or for worse, they are our European Union partners. I fear that the next step may be to try to move towards harmonisation where every business is required to join a chamber of commerce and the chamber of commerce movement is set in stone. It would become increasingly difficult, or impossible, for people to set up rival chambers of commerce.

There are countries where chamber membership is voluntary. That is the pattern in many dynamic economies. While south-east Asia has some problems at present—

Mr. Deputy Speaker (Mr. Michael Lord): Order. The hon. Gentleman is gently straying into a Second Reading speech. He should return to the amendment.

Mr. Leigh: I am grateful, Mr. Deputy Speaker. I was briefly setting out the background to my concerns.

Mr. Maclean: Without straying off the point, does my hon. Friend think that it would be sensible for another place to amend the Bill to make Commissioner Prodi one of the relevant people to consult? He could give his opinion on whether the chambers of commerce were dodgy or corruption was involved. That would deal with my hon. Friend's European point.

Mr. Deputy Speaker: Order. I would be grateful if the hon. Gentleman would remember my earlier stricture.

Mr. Leigh: I will not follow my right hon. Friend down that path.

When my right hon. Friend the Member for Bromley and Chislehurst replies, he should accept that the Secretary of State made a fair point about the burdens that would be imposed on his officials if he were to consult all the bodies to which my right hon. Friend referred. I am not sure that that is what amendment No. 1 seeks to achieve. Were the amendment passed, subsection (2)(a) would provide for the Secretary of State to

"consult with such persons and individuals who appear to him to have an interest".

I would have thought that he and his officials could deal with that sensibly if the amendment were accepted; I suspect that it will not be. My right hon. Friend is not suggesting that in every case the Secretary of State should have to consult all the individuals and organisations that may have an interest but that he should consult organisations that appear to have an interest. My hon. Friend the Member for South Cambridgeshire adduced an example about chambers of commerce being formed in the east of London. No one is suggesting that the amendment would force the Secretary of State to consult all organisations, businesses, trade unions and local government organisations in the east of London but simply those that appear to have a proper interest. Some may think that that is playing with words, but it is not. It goes to the fundamental point of the Bill. It is important that my right hon. Friend the Member for Bromley and Chislehurst receives assurance on that.

We all wish the Bill well but once it is passed, there must be no question of creating a cosy, narrow network with new entrants discouraged from entering. If the debate has achieved anything, it has prised out from the Secretary of State an admission that that could be a danger. He made an interesting point that needs to be emphasised. He is prepared to return to the House and, if necessary, through an order amend the Bill to make it clear that he is determined to consult widely. I congratulate my right hon. Friend the Member for Bromley and Chislehurst on his amendment.

Mr. Forth: I am most grateful to all the right hon. and hon. Members who have spoken in this short debate. It has been helpful in clearing my mind about the Bill's purpose and effect. I am grateful to my hon. Friend the Member for Gainsborough (Mr. Leigh) for his support. I never feel all that lonely in these cases because I am spurred on by the thought that there have been many lonely crusaders for justice and truth. He shares my lifelong suspicion of cosy consensus. I know that it is trendy these days to be consensual but I have never felt comfortable with that. When everyone says that they agree, I am suspicious because it is usually wrong. We all agreed with the Child Support Agency, and where did that get us? The same was true of the Dangerous Dogs Act 1989, which is hardly one of the great successes of recent legislative history.

The object of our proceedings is to give proper consideration to legislation, which is what we have been doing. It has been useful. I am grateful to my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) for the knowledgeable way, which we have come to expect of him, in which he answered the points made. I am particularly grateful to the Secretary of State, who, typically, listened to the debate and was careful and courteous in answering fully our points. I do not know whether Pepper *v.* Hart is still part of our lives.

Mr. Maclean: It is.

Mr. Forth: My right hon. Friend, who is a lawyer, and Opposition legal experts confirm that it is. We can therefore be doubly reassured because what the Secretary of State said will be recorded faithfully, as ever, in *Hansard*. That allays most of the fears expressed by me and my hon. Friend the Member for Gainsborough. Pepper *v.* Hart means that the Secretary of State's words, along with those of the Bill's promoter, will become part of the reassurance. When the Bill, as it undoubtedly will, becomes statute, we can be reassured of their intentions in respect of its implementation. I am, therefore, reassured to that extent.

I was impressed by the point that was made by the hon. Member for Upminster (Mr. Darvill) and echoed by other hon. Members. It touches a raw nerve end for me, which was probably why the hon. Gentleman made it; he referred to the burdens and bureaucracy that might arise from the amendments. I am sensitive to that point and, indeed, rather persuaded by it. Although I believe that

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that process would not be undertaken frequently, my hon. Friend the Member for South Cambridgeshire pointed out that there might be spurts or splurges of activity that could create difficulty for firms, companies and so on—even for the Department of Trade and Industry itself. I am sensitive to that point and want to take it into account.

I hope that the debate has been valuable. I have certainly emerged from it better informed, and reassured. Given the reassurances that we have received from the Secretary of State and from my hon. Friend the Member for South Cambridgeshire, I hope that my hon. Friend the Member for Gainsborough joins me in agreeing to withdraw the amendments. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. Forth: I beg to move amendment No. 3, in page 1, line 23, leave out 'may' and insert 'shall'.

Mr. Deputy Speaker: With this, it will be convenient to discuss amendment No. 6, in clause 3, page 2, line 8, leave out 'may' and insert 'shall'.

Mr. Forth: Clause 2(2) is another important part of the Bill; it deals with the publication of guidance by the Secretary of State

"with respect to factors which may be taken into account in determining whether to approve the registration of a name to which this section applies."

That follows on properly and logically from the debate that we have just held. It revolves around territory that is familiar—but important—to all Members of the House: our friends "may" and "shall". As drafted, the Bill states only that:

"The Secretary of State may publish guidance"

with respect to those factors. I want to persuade the House that that should be "shall".

Mr. Lansley: I understood that, in the amendments that have been selected for debate, my right hon. Friend does not want a requirement that the Secretary of State should publish guidance, but that there should be a requirement that the Secretary of State should take that guidance into account when determining whether to approve the registration of a name, under both the companies and business names legislation.

Mr. Forth: Indeed—we are talking about the relevance of the guidance and the role that the guidance will play. That follows on from what was said earlier. In order to give the matter some context and substance, I want to pick up from the excellent guidance notes that have been provided for us by the British Chambers of Commerce. Those notes give a flavour of the factors that members of that organisation suggest are relevant to these considerations, and they will enable the House to judge whether such matters should be discretionary or mandatory—if I may use that shorthand.

I have highlighted some of the comments in that helpful Bill briefing document and will cite them briefly, as they set the matter in context. The document refers to the consideration of

"a proposal to adopt a new geographic descriptor"—

that has already been referred to during the debate; and to

"an application from promoters to set up a new Chamber".

That point is crucial to the case that my hon. Friend the Member for Gainsborough (Mr. Leigh) and I wanted to make; we see that as a most desirable process. In that case, according to the document

"BCC will examine the draft Memorandum and Articles of Association and check whether they are appropriate to a Chamber of Commerce."

The document notes a number of questions that arise from that—questions that I envisage should be very much part of the guidance. Such questions are:

"Do the members control the Chamber? Are there proper processes for members to elect the Board?"

Such questions naturally arise. The document continues:

"Are the rules on membership appropriate so that membership is not unreasonably restricted?"

One can begin to see the sort of questions that should properly be part of the guidance.

The document continues:

"Next, inquiries are made about the proposed directors. Do they have private, possibly commercial motives? Do they have any experience of Chambers?"

We all know now that the hon. Member for Putney (Mr. Colman), who has left the Chamber, would qualify on all those grounds and probably on several others. We know that that is the sort of territory that we should be in.

The document points out that

"A Chamber is a membership body, so what evidence is there of wide support from the business community?

Again, that ties up to the points that we debated earlier. The document continues:

"Are we being asked to sanction a Chamber which is always going to struggle to represent the business community?

I imagine that such points would properly be reflected in the guidance that we are debating.

11.15 am

The document notes, interestingly, that

"Particular care is taken with applications from people wishing to set bilateral Chambers i.e. a Chamber purporting to relate to issues of bilateral trade between the UK and another country."

That relates to a point made by my hon. Friend the Member for South Cambridgeshire (Mr. Lansley).

What we see in the document is surely the view of the members of the BCC on the kind of factors that the Bill originally stated

"may be taken into account in determining whether to approve the registration of a name"—

and that what my amendment proposes must be taken into account.

I suspect that people outside the House often find it difficult to understand our preoccupation with "may" and "shall" when we consider legislation. However, it is a most important matter. At present, the Bill states only that "it may be", but I am proposing that "it shall be". I hope that my brief rehearsal of some of the points made in the BCC guidance will give some idea of the vital necessity for us to have a guarantee that those factors will be taken into account whenever the deliberations, which the Bill insists that the Secretary of State will carry out, are undertaken. We need that level of reassurance.

In the end, we may again have to rely on reassurances given by the Secretary of State and perhaps by my hon. Friend the Member for South Cambridgeshire in this Chamber—so be it. However, at the very least, the tabling of such amendments as these and the holding of such brief debates enable those reassurances to be given. Obviously, I should prefer it if the Bill were amended in the way that my amendments suggest. However, what emerges during these sort of proceedings is that such reassurances—if, indeed, they are given—can be almost as effective in their own way, by providing guidance as to what will happen in future. They give an indication of the thinking of the promoter of the Bill and of the Secretary of State—the holder of that position will be responsible for carrying out the provisions of the Bill, as the Bill points out.

We want some clear indications—or even commitments—as to the way in which the provisions will be implemented. At present, the Bill states only that the guidance

"may be taken into account".

That leaves a degree of unacceptable uncertainty; we need to know much more. If we are to have guidance, why should it not be taken into account? Are there circumstances in which the kind of factors that I have briefly outlined as to membership, directors and so on—especially in respect of bilateral chambers—would not be taken into account? That is difficult to imagine. It may be that I am wrong and that some hidden flexibility was built into the Bill that required it to be drafted in the way that it was, but I need a great deal of reassurance on this matter.

I look to the Secretary of the State and to the promoter of the Bill for a clear idea of how they see the role of the guidance—for example, what it would contain, if my comments about that are off beam, and especially, the circumstances in which the guidance might be discretionary rather than mandatory. I want that to be fixed firmly; I want to ensure that the guidance plays a central and key role, and that we can rely on it to give direction to what is done—rather than for it to be discretionary. That is the purpose of my amendment.

Mr. Darvill: I always listen with care to the right hon. Member for Bromley and Chislehurst (Mr. Forth). He holds principled views, for which he argues very strongly. In the Committee on the Greater London Authority Bill, on which we both had the pleasure to serve, I twice spoke up in agreement with points that he had raised. However, this time I believe that he is mistaken.

In my view, there should not be a burden on the Secretary of State to issue guidance. It seems to me that the current law for the setting up of companies, as it will be amended by the Bill, will be flexible enough to cope with the requirements that are envisaged in any such application. At some stage, if there were particular difficulties surrounding such applications, it might be necessary for the Secretary of State to issue guidance. If contentious applications were made, which were being contested in the courts—perhaps even by judicial review—such guidance might help.

However, I understand that the Bill was designed to give flexibility to organisations, companies, chambers and so on, and if the Secretary of State was forced to make the guidance notes—as he or she would be if amendment No. 3 were accepted—that flexibility would be limited. I believe that that would be too prescriptive, so I urge the right hon. Member for Bromley and Chislehurst to reconsider and withdraw the amendment.

Mr. Lansley: I am grateful to my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) for moving amendment No. 3 and giving us an opportunity to consider another important aspect of the Bill. I am also grateful to the hon. Member for Upminster (Mr. Darvill). Perhaps I should explain why I do not agree with my right hon. Friend or the hon. Gentleman, and why I hope that my right hon. Friend will withdraw amendment No. 3 and will not press amendment No. 6 to a vote.

The effect of amendments Nos. 3 and 6 would be that the Secretary of State, having issued guidance, would have no discretion whether to take into account the factors set out in the guidance when deciding whether a title should be used. The amendments do not directly bear upon whether the Secretary of State issues guidance. The Secretary of State would continue to have discretion whether to issue guidance. However, I emphasise that it is my opinion, as the Bill's promoter, that it is a key aspect of the Bill that there should be guidance, and that if the Secretary of State were unreasonably not to issue guidance, that should be challenged.

Under existing companies legislation, the Secretary of State, when considering an application to use the title "chamber of commerce", can reasonably say no only when the application is by a person or body that is plainly not a chamber of commerce, but not when the proposed title, or the circumstances of the organisation proposing it, does not meet the positive test of complying with the characteristics of a chamber of commerce. Therefore we are moving—it may be regarded as a subtle distinction, but it is an important one—from a test that has proved to be very difficult for the Secretary of State to use to a more purposive test.

The question of what is in the guidance brings us back to the question of what happens once guidance has been issued. I do hope that the Secretary of State issues such guidance, and in the way that the Bill posits, having discussed and negotiated with the British Chambers of Commerce and other interested parties.

As my hon. Friend the Member for Gainsborough (Mr. Leigh) said, there is a tendency to set things down in the Bill. When I first drafted the Bill, I tended to want to put everything in it. The legislation, as introduced in the previous Session, in the form of the Chamber of Commerce (Protection of Title) Bill, included a schedule, the purpose of which was to set out the essential characteristics of a chamber of commerce. During discussions on the legislation in the previous Session, I was persuaded that that would be inflexible, that some flexibility was necessary and that everything should not be set down in the Bill. The Secretary of State will therefore have that discretion.

Mr. Heald: Is my hon. Friend saying that, if the amendment were passed, the words

"factors which shall be taken into account"

would be very restrictive, because no other factor could be taken into account except those factors, and that that would restrict the discretion of the Secretary of State unreasonably?

Mr. Lansley: I am very grateful to my hon. Friend, who, having a legal background, has come to the point

[Mr. Lansley]

which is often the crux of the not pedantic issue of whether one says "may" or "shall". That is indeed an objection to the amendment. However, in the spirit in which my right hon. Friend the Member for Bromley and Chislehurst has moved the amendment, I hope that the House will bear with me while I explain what I hope that the guidance will cover, and why it would not necessarily in all circumstances be appropriate for each aspect of that guidance to be taken into account when considering every application—although my hon. Friend the Member for North–East Hertfordshire (Mr. Heald) is absolutely right to say that we do not want the Secretary of State to be constrained not to take other factors into account if they are not expressly provided for in his guidance.

My right hon. Friend the Member for Bromley and Chislehurst has mentioned some of the things that the British Chambers of Commerce has said in its briefing to Members of Parliament, but it may help if I list some of the things that I foresee as being among the characteristics of a chamber of commerce. I shall divide them into three categories.

The first category relates to the constitution of a chamber of commerce. Although some chambers of commerce enjoy a royal charter, they are the lesser number. A chamber of commerce should be constituted as a body corporate, but not a company limited by shares. In almost all circumstances, chambers of commerce are incorporated as companies limited by guarantee. The straightforward purpose of that is to ensure that they cannot be used as a profit-distributing vehicle—that any moneys generated by the commercial activities of a chamber of commerce should continue to be re-invested for the improvement of service to the whole membership.

Secondly, a chamber should not be a subsidiary or division of any other body except another chamber. The independence of chambers of commerce is an important characteristic and should be reinforced, in my view, by the stipulation that a chamber of commerce should be independent and not under the direct control of Government or a local authority. It would be contrary to what I would regard as the essential characteristics of a chamber of commerce if, for example, local authority X were to set up chamber of commerce X. That body would not be representative of the business community and independent of Government.

Finally, the constitutional arrangements of a chamber of commerce should provide for it to be controlled by the whole of its membership—not by a faction or a cabal, still less by an individual. There should be an expectation that a very high proportion of the members of a chamber of commerce should be engaged in manufacture, commerce, business, trade, shipping, distribution, agriculture, fishing or professional practice. The hon. Member for Upminster reminds us that those who are in the professions often play a significant part. Although, as my hon. Friend the Member for Gainsborough said, chambers of commerce were often established as manufacturing, commerce and trade oriented bodies, they now represent the whole business community, including the professions.

However, there is a British chamber of shipping. Therefore it is possible to contemplate circumstances where bodies that enjoy a title related to "chamber of commerce" do not necessarily comply with that criterion, because they are not representative of a geographical area, but represent a particular trade relationship—perhaps between the United Kingdom and another country—or a particular form of trade or business. That has a bearing on the question whether that factor should be taken into account in all cases.

11.30 am

The guidance should cover the issue of whether a chamber of commerce whose name is a geographical descriptor is genuinely representative of all businesses in that area. That point was alluded to in previous discussions, but I think it should be made explicit now. When a name refers to an area, the Secretary of State must also consider whether the chamber of commerce seeks to promote business and trade between that area and others. That is an important point, and we must draw a distinction between chambers of commerce that represent a specific geographical area and those that seek to promote trade between areas. The guidance should take account of certain factors when assessing a title application by a chamber of commerce that represents a specific geographical area and different factors when considering an application by a chamber of commerce that seeks to represent trade between areas. Not every factor should be taken into account in every application.

I think that it is important that the essential characteristics of chambers of commerce should include some central purposes. First, a chamber of commerce should exist to serve and promote the interests of the whole business community in any place or area to which its name is applied. The body should foster the interests not simply of its members but of the whole business community in the area that it represents. Secondly, a chamber of commerce should provide a service to the local business community—it would not necessarily be exclusive to its members—in respect of information, advice and assistance. Thirdly, a chamber should undertake, or encourage its members to undertake, joint activities and arrangements for mutual support and promotion of the interests of the business community. That is one of the central original purposes of chambers of commerce: they must promote the relationship between the local business community and its legislatures—

Mr. Deputy Speaker: Order. This is a fairly general point. Will the hon. Member for South Cambridgeshire (Mr. Lansley) relate his comments to "may" and "shall"?

Mr. Lansley: Yes, Mr. Deputy Speaker. This is my final point about guidance.

It is clear that it will not always be relevant to take into account whether a chamber of commerce has the purpose of representing a business community to a legislature or to other bodies. For example, if the body seeks to promote trade between two areas, it might have no representational role in relation to local authorities or central Government. It might operate in the international sphere, even though it is incorporated in this country. Some chambers of commerce and related titles are incorporated in this country but are not representative of a particular national geographical area. Therefore, it would not be relevant to assess them according to whether their activities include joint promotion or representation to Government in their area.

I hope that I have covered reasonably fully what I think the guidance should include. In the process, I hope that I have illustrated that, because of the scope of the guidance

and the diverse bodies that use the title "chamber of commerce", we should not assume that every one of the factors set out in the guidance will apply to each of the bodies that seeks to use the "chamber of commerce" title. Therefore, the legislation should give the Secretary of State discretion to decide not only the issuing and timing of guidance, but which factors to apply to a particular application in each instance.

I apologise if I have trespassed upon the patience of the House. I hope that I have assisted hon. Members in understanding why this small but important point is phrased in the way it appears in the Bill. I hope that my right hon. Friend will feel able to withdraw his amendment.

Mr. Leigh: I support amendment No. 2, but, for the reasons given by my hon. Friend the Member for South Cambridgeshire (Mr. Lansley), I oppose amendment No. 3. I am not sure why, in framing the Bill, we are talking about the Secretary of State "perhaps" publishing guidance. Of course he will publish guidance, so I am not sure what is wrong with amendment No. 2 proposed by my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth), which says that the Secretary of State "shall" publish guidance.

Mr. Deputy Speaker: Order. We are not discussing amendment No. 2.

Mr. Leigh: I apologise, Mr. Deputy Speaker. I may have got the numbers wrong, but I hope that my point will stand as to whether we should talk in terms of "may" or "shall". My right hon. Friend said that the Secretary of State shall publish guidance, which is a very important point.

My hon. Friend the Member for South Cambridgeshire listed the factors that will influence the Secretary of State in determining whether he should allow the creation of a new body. My hon. Friend referred to some very unremarkable facts. Of course the Secretary of State would not want to allow the establishment of a new body if it were not constituted as a body corporate or run constitutionally and democratically. Those points are well made. However, the "may" or "shall" point is important in how it relates to the geographical descriptor. I think that is the key to the whole argument, and it relates to the fears that we expressed when considering the previous group of amendments.

I am worried that, when the Secretary of State considers these matters, he will have regard to not only whether the proposed body is run by reputable people, is run democratically and seeks to represent people in the area but whether a similar body already exists in that area. How much weight will he give to that latter point? That is an important point that relates to my experience in the last Parliament. As a lawyer, I was retained by the newspaper distribution industry. It is a very restrictive business, being a vertical monopoly. Until recently, one was not allowed to open a news agency when one already existed in that area. You can see my point, Mr. Deputy Speaker. I want to try to frame the legislation—I hope that the Secretary of State will reassure me about this in his winding-up speech—so that no one will be denied the ability to create a new chamber of commerce simply because one already exists in that area.

There may be perfectly valid reasons—although it may not happen very often—why the existing chamber of commerce is not doing its job adequately. It may have been taken over by a clique or, as often occurs with democratic bodies, it may have remained in the same hands for many years and atrophied. I want to ensure that the Secretary of State is able to look at the issue in the round. The guidance should be quite clear. Someone may wish to establish a chamber of commerce that is perfectly well constituted and genuinely representative but which covers an area served by a similar body. For the sake of argument, let us suppose that someone wishes to establish the new Blankshire chamber of commerce, but there is already a Blankshire chamber of commerce in that area. I do not understand how the procedures will work. Will the Secretary of State say, "I'm sorry, but there is already the Blankshire chamber of commerce, so your geographical descriptor is not accurate."? I am sure that that is not what my hon. Friend intends to do. Indeed, I am sure that he wants an open and democratic system that permits new entrants. We are talking about something that may happen only rarely but there may be good reasons why it might be necessary in some instances. I hope that when the Secretary of State replies, he will be able to give us the reassurance that we seek.

Mr. Byers: I shall try to reassure right hon. and hon. Members, either in relation to the two amendments, which are narrowly drawn, or on Third Reading, when some wider issues may need to be addressed.

Amendments Nos. 3 and 6 relate specifically to the factors that may be taken into account. The right hon. Member for Bromley and Chislehurst (Mr. Forth) is trying to remove "may" and replace it with "shall". Many Members will have debated for hours, if not days, the merits or otherwise of "may" as opposed to "shall". Indeed, I remember—it was probably four or five years ago—when the right hon. Member for Bromley and Chislehurst was a Minister in the Department of Education and taking a Bill through Committee. I was then a Labour Back-Bench Member. We debated "may" and "shall" for many hours in the context of the various powers that the Secretary of State should have.

Right hon. and hon. Members will know that there are significant reasons why "may" is to be preferred. If "shall" is inserted in a Bill, it is often seen to be prescriptive. There may be other issues that should be taken into account, or it would be appropriate to take into account, in particular circumstances. If "shall" is used, there is a limit on the issues that may be reflected upon by the Secretary of State. By having "may", the Secretary of State has the discretion to consider other factors if it is appropriate to do so in the particular circumstances of an individual case.

There have been references to the publication of guidance. You were right to point out, Mr. Deputy Speaker, that the two amendments do not touch on that issue. The amendments do not relate to whether the Bill should state "may publish" or "shall publish". The amendments that do relate to that issue have not been selected for debate. That being so, we must restrict ourselves to the factors that may or, if the amendments are carried, shall be taken into account.

The right hon. Member for Bromley and Chislehurst used shorthand when he said, "Is it discretionary or mandatory?" That is probably quite an accurate way of

[Mr. Byers]

putting the question. There will be difficulties if the amendments are carried. It would be restrictive and prescriptive for the Secretary of State. The issues to be taken into account would be set in stone and would be required to be taken into account. More worryingly, the Secretary of State would not be able to take into account some wider issues that it might be appropriate to consider in individual cases but not in all cases.

For these reasons, I ask the right hon. Member for Bromley and Chislehurst to withdraw the amendments. He has raised an interesting debate about "may" and "shall" and I am sure that it is one to which we shall return on other occasions, perhaps in different capacities, in the months and years ahead. However, I hope that he will accept today that inserting "shall" would create some real difficulties. I hope also that he might feel able to withdraw the amendments.

Mr. Forth: I am grateful again to the Secretary of State for so carefully replying to the debate. I accept both the spirit and substance of what he has said. I am sufficiently reassured, and sufficiently anxious to move on to Third Reading, to beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Order for Third Reading read.

11.44 am

Mr. Lansley: I beg to move, That the Bill be now read the Third time.

I am grateful for the opportunity to move to Third Reading. I am grateful to right hon. and hon. Members on both sides of the House who on Second Reading gave the House a short but useful opportunity to understand the purposes of the Bill. Consideration of the Bill in Committee was an interesting occasion when we were able to raise a number of issues, none of which was controversial. It is always interesting when a Bill is being considered in Committee and there are no amendments. Sometimes, as my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) said in a previous debate, that is not encouraging. In this instance, I hope that my right hon. Friend and other hon. Members will be comforted by the thought that there were no amendments in Committee because the Bill follows a pattern that was agreed after substantial amendment to another measure in the previous Session.

Mr. Forth: That may be so, but an alternative explanation is that members of Committees are so carefully picked that sometimes they neither wish to engage in nor are capable of objective consideration or criticism of a Bill, with the result that it sails through Committee without proper scrutiny.

Mr. Lansley: I am grateful to my right hon. Friend. I would not subscribe to that view in this instance. When my right hon. Friend examines the Bill at a later stage, I hope that he will find that, although he has properly raised various issues, it is competent for its purpose and in that sense is a quality product. It is our objective to achieve that.

I thank Ministers at the Department of Trade and Industry, as well as the Financial Secretary, who was a DTI Minister in the previous Session. The hon. Lady was supportive of the Bill at that time. The Secretary of State and the Minister for Small Firms, Trade and Industry have been helpful during this Session, as have Liberal Democrat Members and my right hon. and hon. Friends. I hope that we have arrived at a Bill that will substantially improve the environment for chambers of commerce. It is certainly legislation that they seek, and for good reasons.

It is important to stress that the Bill is not sought on the basis that existing legislation has been applied in anything other than a good fashion. I think that it has been applied as well as could possibly have been expected. However, there are deficiencies in its present structure. That is why we introduce legislation. If existing legislation is good enough but has been misapplied, that is a different matter and does not justify the introduction of new legislation. However, in this instance there are deficiencies in current legislation. It is the purpose of the Bill to correct potential problems and abuses.

For example, the role of British Chambers of Commerce as a consultee on applications has not been entrenched in statute. It should be so entrenched for a series of reasons to which I referred in the first of our two debates on Report. Secondly—this touches on the issue that we dealt with in the second of our debates on Report—there is no benchmark in legislation against which the Secretary of State can judge what is a chamber of commerce. The hon. Member for Upminster (Mr. Darvill) talked about whether the Secretary of State should issue guidance. I think that he should. In the absence of it, the Secretary of State is trying, with difficulty, to answer the question, "Is this plainly not a chamber of commerce?" It is important that there should be a benchmark, and it is important also that legislation should provide the power to issue guidance. Under existing legislation, the Secretary of State could not issue such guidance nor use it as he will be able to use it once the Bill is enacted.

With your indulgence, Mr. Deputy Speaker, I was able to explain the factors that I believe should be included in guidance. There is no need for me to rehearse those factors on Third Reading. I hope that, when the time comes, the Secretary of State and British Chambers of Commerce will be able to agree something along the lines of those factors to form the basis for guidance.

As has been said in previous debates, there is a risk of abuse. Fortunately, it is not a risk that has materialised to any great extent in this country—although it has happened in other countries, as my hon. Friend the Member for Gainsborough (Mr. Leigh) said. There is a problem about the scope to challenge the geographical descriptors that are applied to chambers of commerce. There is a difficulty every time such an issue arises. My hon. Friend raised the hypothetical example of a chamber of commerce that seeks, as it were, to be the new Blankshire chamber of commerce. The Secretary of State may well not be able to entertain such an application. It will have to be justified in relation to the factors to which I referred.

I envisage circumstances in which a title is allowed although it includes the geographical descriptor of an area that is covered by another chamber of commerce. However, the question should be whether the chamber of commerce seeking to use that title meets the essential characteristics of a chamber of commerce as stated in guidance. If it does, all will be well and good.

Mr. Leigh: My hon. Friend is giving us very important reassurance. Is he saying that the Secretary of State will

consider new applications solely on their merits and on how the bodies will operate, and that applications should not be refused solely on the ground that a proposed organisation will cover the same area as an existing one?

Mr. Lansley: That is indeed my view—each application should be considered on its merits. The purpose of providing guidance is to enable us much more clearly to understand how the merits are judged.

It is possible to envisage circumstances in which two chambers of commerce are, by reference to their geographic descriptors, working in the same area. Clearly, it would be undesirable for them to have titles that are so similar that people trying to do business with them might be confused about which body is which.

Neither the chambers of commerce movement nor I, in promoting the Bill, are trying to create an approved and exclusive network of chambers of commerce in which only those organisations approved by British Chambers of Commerce can represent a specific geographical area.

Hon. Members have dealt with political boundaries—with which area is within the compass of which local authority or parliamentary constituency. I know that none of us would advise British chambers of commerce to try to agree exclusive boundaries for their responsibilities and areas, which will overlap. Although more than one chamber may cover the same area, that will not be a problem in itself.

The London Members present will appreciate that there is no difficulty with the existence of both a London chamber of commerce and industry and, for example—as the hon. Member for Putney (Mr. Colman) said—a Merton chamber of commerce. They seek to serve different purposes for their area, to provide different but complementary services, and to do so to a high standard; and that is perfectly acceptable. We are not trying to establish a geographically exclusive operation.

We are trying, I hope, to ensure that a geographical descriptor is not applied to a chamber of commerce that is not justified by its ability to represent the business community in that area. That is a central point of the Bill's structure.

On Second Reading, my right hon. Friend the Member for Bromley and Chislehurst addressed the vexed issue of reversibility—the extent to which it is possible for the Secretary of State to conclude that a name should be removed from a chamber of commerce. For the benefit of the House, I should explain how I foresee that situation being dealt with. In some circumstances, a specific chamber of commerce may no longer be operating as a chamber of commerce. In other circumstances, an organisation, although it holds the title of chamber of commerce, may not be operating as a chamber of commerce at all, but in a manner that is potentially misleading and harmful to those in business.

British Chambers of Commerce, for example, owns five chamber of commerce titles. It has acquired those titles to frustrate possible efforts by others to acquire them to abuse the business community wishing to deal with a chamber of commerce. One could say that those registered titles are redundant, as they are not being used for chamber of commerce purposes. However, in those circumstances, I do not think it would be right for the Secretary of State to remove the titles, as they have been registered for a perfectly legitimate purpose.

The test that should be applied—as it is in section 32 of the Companies Act 1985—is whether the Secretary of State believes that the name in which a company is registered gives

"so misleading an indication of the nature of its activities as to be likely to cause harm to the public".

In those circumstances, he may direct it to change its name.

We are dealing with a difficult matter. We are not trying to create a situation in which the Secretary of State is daily to police the activities of chambers of commerce—as that would be wholly contrary to the purpose of the chambers of commerce movement, which is to be business led, membership controlled and very decentralised in operation. I therefore do not want the Secretary of State to tell chambers of commerce, "You don't match up to my standard of a chamber of commerce, so I shall remove your title." The chamber of commerce movement itself would deprecate that.

Current legislation provides that, if the tough test that I have described—of whether harm would result from a body registering and continuing to use the title "chamber of commerce"—is met, the Secretary of State shall have the power to ask for the title to be changed. I think that that is a satisfactory basis on which to proceed.

Mr. Forth: My hon. Friend has rightly pointed out that the issue has been on my mind for some time, and I am grateful to him for the point that he has just made. However, surely he is not saying that this Bill is justified by the fact that we can already deal with the matter under current law, principally the Companies Acts.

Mr. Lansley: The issue is whether the Bill—which contains provisions additional to current legislation—should include provisions giving the Secretary of State a power to cause a chamber of commerce title to be changed, over and above the generic power already provided in companies legislation and based on the test of harm. I believe that it would be wrong to provide the Secretary of State with a more intrusive power in dealing with bodies calling themselves chamber of commerce, or related titles, than he already has in dealing with any company that has been given a title and continues to use it.

There is already a generic power; the question is whether there should be a specific one, on chambers of commerce. I should be happy to rest on the Secretary of State's generic power provided by companies legislation, and see no need to go beyond it.

I apologise for that digression, but, as the Bill's promoter, I am conscious of the fact that we should not complete our proceedings without specifically addressing the issues raised in earlier debates.

I thank all those who have further contributed to our debates on Report and Third Reading, and especially officials at the Department of Trade and Industry, who have been enormously helpful to me in reconciling and trying to mesh the objectives that I sought to achieve in the Bill—to support the chamber of commerce movement—with the structure of current companies legislation. As hon. Members will appreciate by my responses on some of the issues, the Bill's structure is very much designed to work within the structure of companies legislation, rather than to operate outside it or perhaps come into conflict with it.

[Mr. Lansley]

I hope that the Bill will reinforce the efforts of the chamber of commerce movement to create a more complete and comprehensive structure that provides better services to the business community and can take more responsibility for their provision—even to the point at which the Government can stop doing things and the business community can more readily do them for itself. Rather than reinforcing the defence of the status quo in the chambers of commerce movement, I hope that the process will promote and enhance the standards and quality of service to the business community. On that basis, I hope that the House gives the Bill a Third Reading.

11.59 am

Mr. David Heath: It is a pleasure to be able to contribute to the progress of the Bill, even at this late stage. I commend the hon. Member for South Cambridgeshire (Mr. Lansley) on the content of the Bill and the admirably well-informed way in which he has taken it through its stages in the House. I am also pleased to see that the Secretary of State for Trade and Industry has been present throughout this morning's proceedings.

I do not want to delay this worthwhile Bill. It was worthwhile in its earlier manifestation, when the hon. Member for Windsor (Mr. Trend) introduced it. The proceedings before today have been characterised by their brevity. The *Official Report* shows that 34 minutes were spent on Second Reading and 27 minutes in Committee, which, by anyone's standards, is fast progress for a Bill. We have rightly been slightly more leisurely today, because it is important to tease out the purposes of a Bill and its consequences on enactment.

I am interested in the debate not least because my local chamber of commerce was keen on the Bill and gave its support. However, there is one blemish in the record of the hon. Member for South Cambridgeshire—one blot on his escutcheon—to which I must draw attention because it illustrates a point that we should consider before giving final approval to the Bill.

Given my interest in the Bill, imagine my surprise on Monday 1 March—St. David's day—when I saw, at column 704 of the report of the Second Reading, a remark that was interpreted in my area as a slighting reference, intentional or not, to the Wessex chamber of commerce. This is an important point about geographical descriptors and the operation of the legislation. The hon. Member for South Cambridgeshire has also referred to the issue in radio interviews, so it is clearly important to him.

The Wessex chamber of commerce serves Frome in my constituency, and several other towns. It may be helpful to describe the genesis of the Wessex chamber, because it illustrates a difficulty that I should like the hon. Gentleman, or perhaps the Secretary of State, to address. The Frome chamber of commerce used to deal exclusively with the affairs of the town. It did so extremely well and celebrated its 50th anniversary recently, when my namesake the right hon. Member for Old Bexley and Sidcup (Sir E. Heath) was the guest of honour. I hope that it will work closely with the newly elected Liberal Democrat town council in Frome over the next four years.

However, the chamber realised that there is a limit to the scope of the services that can be provided to the trade members in a small market town and that there is an advantage in associating with other areas. It considered the best way forward. It thought about joining the prestigious and active Bristol chamber of commerce, but felt that that was probably not right for a town some distance from Bristol. Instead, it looked towards the West Wiltshire association, where it saw towns of a similar size with similar activities with which it fitted well. Eventually, a joint chamber of commerce was formed serving Bradford-on-Avon, Melksham, Trowbridge, Warminster, Westbury, Frome, Chippenham, Devizes and Shepton Mallet. That immediately created a problem of nomenclature. The chamber of commerce could not be called West Wiltshire any more because it extended outside west Wiltshire. It is difficult to find a geographical descriptor that covers four district council areas, two county council areas, four health authority areas—if that is relevant—and five parliamentary constituencies. How can that area be described adequately?

I experienced a similar problem when I was chairman of Avon and Somerset police authority. When the Government decided to abolish Avon county council, we had a problem knowing what to call the police authority. As chairman of the authority, I said that we should do nothing, partly because I was not prepared to spend money on new cap badges, but also because it was difficult to find a geographical descriptor for the area. The "Somerset, Bristol and Parts of South Gloucestershire constabulary" would have been a bit of a mouthful and would not have been likely to commend itself to the Home Office or the local population, so we stuck with Avon and Somerset.

The same applies to Wessex. The hon. Gentleman has introduced a provision which might have the capacity to mislead, as Wessex is a rather amorphous geographical term. I do not want to get into a discussion about the heptarchy and the realm of the west Saxons, but Wessex is often used to describe an area which we know is in the west country but of whose extent we are not sure. Wessex is also one ward in the West Somerset district council area, so the term does have a specific use. However, in this case it was decided on as a convenient term.

Would the Bill create difficulties if a chamber of commerce were set up but it was difficult to find a precise geographical definition of the area that it covered? Would it have any effect on existing chambers of commerce that had been set up in similar circumstances? No one would suggest that Wessex chamber of commerce is doing anything other than an excellent job for the businesses that it represents. There is certainly no intention to deceive or any sense of self-aggrandisement.

Mr. Lansley: I am most grateful to the hon. Gentleman for providing me with an opportunity to set the record straight. If my references to the application by the former West Wiltshire chamber of commerce to call itself the Wessex chamber of commerce were regarded as a criticism, I happily withdraw what I said. I am quite clear from all the evidence received that the Wessex chamber of commerce is one of standing and has every reason to use that title. I know from past experience not to question the definition of Wessex. However, it illustrates the point that we have to apply ourselves carefully to the issue. I understand that British Chambers of Commerce was consulted and raised no objection because the Swindon chamber of commerce had no objection. However, the Dorset chamber of commerce would have had an

objection—probably not one that would have prevailed—and the process did not mesh together properly. We have to be sure that the description is accurate.

Mr. Heath: I am most grateful to the hon. Gentleman for an extremely helpful intervention which I will transmit to members of the Wessex chamber of commerce. I know that they will be pleased to hear what he said, which was helpful in explaining how the Bill will operate.

There is still a problem in respect of making sure that nobody has a veto on what may be a convenient term simply because it could be considered misleading. There should be a proper test as to whether there might be a genuine chance of a term misleading the general public and anyone who wished to trade with that chamber of commerce. The test of harm in the Companies Act 1985, to which the hon. Gentleman referred, should underlie the consideration of the Secretary of State in determining whether a particular geographical description is likely to mislead.

Having made that point, which I hope is a useful one, and having been reassured to a considerable extent by the hon. Member for South Cambridgeshire, I hope that I shall be reassured further by the Secretary of State and that the Bill will receive a Third Reading and pass into law. It is a worthwhile measure.

12.8 pm

Mr. Heald: I pay tribute to the way in which my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) has presented the Bill, building up a cross-party consensus in the House. I know how hard that can be from my experience of a private Member's Bill on insurance company reserves when I had a great deal of difficulty with the hon. Member for Bolsover (Mr. Skinner). In the end we prevailed, but it is not always easy. Anyone who reaches this stage with a private Member's Bill deserves huge plaudits. I also thank the Secretary of State for his constructive approach to the Bill. All hon. Members appreciate it if the boss, the man at the top of the Department, can be in the House when such a Bill is being debated.

The Bill will not affect the status title of any existing chamber of commerce, but it will deal with a problem that has become increasingly evident. Although the existing procedure has been well administered, there has been concern that added protection is needed, so that the title "chamber of commerce" and related titles can be applied to persons and bodies that are genuinely representative of the business community and the area described in the title.

It will be helpful if the Secretary of State can publish guidance on the criteria to be used in determining whether a body should be permitted to use the title. My hon. Friend the Member for South Cambridgeshire was right to say that there has not been a benchmark, and that there should be.

The Bill will reduce the scope for abuse by public relations companies and others who may use the title when they have no representative function. It will prevent also the use of grandiose geographical descriptions; although I exempt Wessex, in light of the comments of the hon. Member for Somerton and Frome (Mr. Heath).

It will be far better to have the matter on a solid, statutory footing, while giving the British Chambers of Commerce and the Scottish Chambers of Commerce the opportunity to be involved in strong self-regulation.

The Opposition welcome the Bill and pay tribute to the chambers of commerce, which have made great strides in recent years in accreditation, quality-assured services, sensible mergers, more comprehensive geographical coverage and, in some areas, the close work between chambers and training and enterprise councils.

The Bill will remedy the weaknesses in the current regime and will reinforce the steps that are being taken to give chambers of commerce the role that they merit. Local authorities in my area and across the country will be pleased that an extra element of protection will accompany the improvements that have been made. In North Hertfordshire and East Hertfordshire—where the Conservatives gained both councils yesterday—that will be the case.

12.16 pm

Mr. Byers: I am delighted to be here to support the Bill. I congratulate the hon. Member for South Cambridgeshire (Mr. Lansley) on the way in which he has dealt with the issue, and on the way in which he has ensured that there has been a cross-party coalition in support of the Bill. As the hon. Member for North-East Hertfordshire (Mr. Heald) said, it is difficult to get agreement in this House on almost any measure; even on one that appears to be non-contentious. The hon. Gentleman has done extremely well to achieve such a level of support for the Bill.

The Government have a positive and constructive working relationship with the British Chambers of Commerce and the Scottish Chambers of Commerce, and we are working together to drive forward the competitiveness agenda. It is vital that chambers of commerce continue to be business-led, and that their membership is controlled.

The hon. Member for Gainsborough (Mr. Leigh) referred to his experience as a DTI Minister and to the view of the then Secretary of State, the right hon. Member for Henley (Mr. Heseltine), that chambers of commerce were almost an arm of the Government, as they were proactive and part of what the Government wanted. Our view is that there should be an arms' length relationship, and that chambers of commerce should be responsible for issues of concern to their members. The priority for the chambers must be what their members want. On occasion, there may be conflict with the Government; so be it. That is one of the strengths of our democracy.

We are working positively with the chambers of commerce and we wish to continue the partnership. We have studied the Bill—which we know the chambers are keen to have on the statute book—and we believe that it is appropriate to legislate in this way. We do so to rule out abuse by organisations which, for their own reasons—perhaps to mislead or deceive—use the description "chamber of commerce" or the variety of other descriptions that can flow from that.

We must not rule out the possibility of other groups coming forward in a proactive way to represent the interests of the business community. We want to rule out abuse but not to deny other bodies the opportunity to be described as chambers of commerce if they so wish. It will be for the Secretary of State, considering the guidance that will have been published, to determine whether such an application should be agreed.

I listened carefully to what the hon. Member for Somerton and Frome (Mr. Heath) said, using the example of the Wessex chamber of commerce. His points are well

[Mr. Byers]

made, and when the Department considers these matters, those are exactly the sort of issues that we will want to take into account.

I was pleased that officials from the Department were able to assist the hon. Member for South Cambridgeshire with the Bill. The Bill will apply to Great Britain and it will be for the new Northern Ireland Executive to make proposals for consideration by the Northern Ireland Assembly on any changes in legislation that might be needed for Northern Ireland.

We warmly support the Bill and look forward to working in partnership with the British Chambers of Commerce and the Scottish Chambers of Commerce. We believe that the Bill creates a clear and workable statutory basis for consultation with those bodies on company and business names, and I commend it to the House.

12.16 pm

Mr. Forth: I think that I welcome the Bill but I am not yet wholly convinced, despite the eloquence of my hon. Friend the Member for South Cambridgeshire (Mr. Lansley), its promoter, whom I, too, congratulate on piloting it so skilfully to this stage.

I join all those who have welcomed the Secretary of State. It is a great pleasure to see a Secretary of State taking the trouble to be here on a Friday for a Bill that is of importance to his Department. We all greatly appreciate his presence.

I am somewhat puzzled. The briefing from the British Chambers of Commerce says:

"Companies House seeks the opinion of BCC on new applications but there is no legal requirement to do so . . . There is no definition in British law of a Chamber of Commerce."

Then, intriguingly, it says:

"This Bill would solve these problems by providing an acceptable and meaningful definition of the term 'Chamber of Commerce'."

It does no such thing: I can find no definition of the term in the Bill. If that is what the British Chambers of Commerce was looking for, I do not think that the Bill provides it.

That leaves me slightly at a loss, but if the promoter of the Bill, who has worked so closely with the BCC, and the Secretary of State reassure me that the BCC has got what it wants, I suppose that must be the case. I hope that the BCC will not be disappointed when the legislation is implemented.

I was grateful to my hon. Friend the Member for South Cambridgeshire for taking a bit of time to cover the issue of what he and I have come to know as reversibility. I was grateful, too, to my hon. Friend the Member for Gainsborough (Mr. Leigh) for the points that he made on that issue.

Those points were not covered in our rather brief proceedings in Committee and on Second Reading. The value of Report has been demonstrated yet again. It enables those who were not privileged to serve in Committee to have some input and it allows points that may have arisen on Second Reading and may or may not have been dealt with in Committee to be reconsidered by the House as a whole.

This has been a useful example of the value of the Report stage, even when the Bill has, as my hon. Friend the Member for South Cambridgeshire told us, emerged unscathed from Committee. As for reversibility, I remain uneasy, but obviously I will have to accept what has been said today.

My hon. Friend the Member for Gainsborough, with his usual eloquence and force, has said that he hopes, as I do, that the Bill will not provide a mechanism to reinforce the status quo and protect those who have title to use the term "chamber of commerce" regardless of their performance and value.

We also hope that there will be sufficient flexibility in the mechanism to allow for the removal, where justified, of such a title, and for newcomers to come onto the scene if they are providing either something new or—this is a horrible phrase but I shall use it—added value.

My suspicion all along has been that we are reinforcing the established order, ensuring that there is not much of a threat to it, and then walking away rather satisfied. My hon. Friend the Member for South Cambridgeshire has said repeatedly that that is not the case, and has told us that the Companies Act 1985 makes proper provision for the removal of the title, where necessary, by the Secretary of State.

That is good and I am reassured—although if the provision already exists in companies law, that leaves open the question: how necessary is the Bill? However, the chambers of commerce believe that it is necessary, and my hon. Friend was sufficiently persuaded by the case for the Bill that he used that most precious of opportunities, a high place in the ballot for private Members' Bills, to introduce it. That in itself signifies the importance that he attaches to the subject. The Secretary of State, too, has reaffirmed that his Department is enthusiastic about the Bill, saw it as necessary and gave it help and support.

All in all, therefore, although I remain somewhat uneasy about some elements of the Bill, I sense that having got this far, it has support in all parts of the House. I am therefore content for it to be given a Third Reading and be sent winging its way to the other place, where no doubt it will receive a different kind of scrutiny from a different perspective.

12.23 pm

Mr. Darvill: I support the Bill, and I can reassure the right hon. Member for Bromley and Chislehurst (Mr. Forth) that the definition of the term "chamber of commerce" is clearly covered in clause 1, which says that it is contained in regulations pursuant to section 29(1)(a) of the Companies Act 1985 and section 3(1)(a) of the Business Names Act 1985.

Mr. Forth: I am grateful for the hon. Gentleman's help, and his legal expertise, but my point was that if the definition is already in other legislation, the need for it cannot be used as a justification for this legislation.

Mr. Darvill: The point that I was making was that the Secretary of State's ability to secure the term "chamber of commerce" is specified in regulations pursuant to those sections. The point of the Bill is to bridge the gap in existing legislation, and the need for it has been clearly demonstrated not only on Second Reading and in Committee but today on Report. I agree with the right hon.

Gentleman about the importance of Third Reading, which has enabled the House to focus on two of the major points, on which debate and reassurance were clearly needed.

I add my congratulations to the hon. Member for South Cambridgeshire (Mr. Lansley), whose expertise on the subject has been demonstrated throughout proceedings on the Bill. I am sure that all hon. Members will endorse those congratulations. The hon. Gentleman has done a service to the House and the business community as a whole. I am sure that my local chamber of commerce in Havering welcomes the Bill. It is a good sign that all parties in the House are working to support the business community, and I hope that the Bill receives a Third Reading.

12.25 pm

Mr. Leigh: When historians write the history of Friday, 7 May 1999, I fear that they will not dwell at length on the passage of the Bill. That will be unfair. However, they will dwell on the fact that a new Parliament, for better or worse, has been created in Scotland. The Report stage of the Bill showed that this old Parliament can scrutinise legislation effectively and improve it.

We have had an excellent debate this morning. As usual, my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) responded to arguments with skill and sensitivity. It is welcome that, on a Friday morning, we have been joined by an existing member of the Cabinet and by my hon. Friend who—according to today's newspapers—may shortly join the shadow Cabinet. He well deserves that honour for the skill that he brings to our debates. I hope that I have not ruined his chances by saying that, because I was trying to pat him on the back for what will be a good Act of Parliament.

The Secretary of State gave the House various assurances today. He said that he does not see the Bill as an interventionist measure and that he intends to deal with the issues with a light regulatory touch. Reference has been made to Nicholas Ridley and, listening to the Secretary of State, one is left with the impression that he would have enjoyed serving under the late Nicholas Ridley, because their views are similar. The Secretary of State stressed that he sees the chambers of commerce as a business-led organisation with which he does not wish to interfere any more than is necessary.

The Secretary of State also wishes to ensure that there is no abuse of the system. As I understand it, that is the purpose of the Bill, because it will provide a mechanism for the Secretary of State to issue guidance on how chambers of commerce may properly be set out and allow the British Chambers of Commerce to be consulted when a proposal is submitted. That appears to be an unremarkable hope and I am sure that the Bill will achieve it.

I hope that my hon. Friend the Member for South Cambridgeshire is not unhappy with what my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) and myself have tried to achieve this morning. I hope that he agrees that our arguments have been sensible, because we do not wish to adopt the rigid structure that appertains in many continental countries. I do not criticise those countries for the way in which their chambers of commerce operate, because they are effective. However, they are an arm of government, albeit a quasi-independent arm of government. We have a different tradition, and I know that my hon. Friend does not wish to adopt the continental approach. He is convinced that the Bill will not make that more likely.

My right hon. Friend the Member for Bromley and Chislehurst and I have made the point that if someone wishes to set up a new chamber of commerce, the Secretary of State will consult widely, if necessary, and will not just take the view of the existing establishment in the British Chambers of Commerce. That point must be emphasised. I hope that the Secretary of State has also accepted the important point about the geographical descriptor. It is important that a thousand flowers should bloom in the chambers of commerce movement and small market towns, such as Gainsborough, should have their own chamber of commerce, albeit under the umbrella of county or even regional chambers of commerce. My right hon. Friend shares that view and has made it clear that if the existing structure in any county, town or city is not working satisfactorily, a new organisation can come forward and should not be turned down because there is a pre-existing organisation.

We have received reassurances, on the basis of which the Bill will be effective. I wish it well.

12.30 pm

Mr. Lansley: With the leave of the House, I thank right hon. and hon. Members on both sides for their contributions. I must say to my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) that, as the British Chambers of Commerce have said, the Bill should give statutory backing to the issuance by order of the Secretary of State of guidance that will set benchmarks for what is defined as a chamber of commerce. That would not be possible without legislation.

A balance needs to be struck, raising the point of whether that should be done in the Bill or through secondary legislation. The latter is both more flexible and more manageable as chambers of commerce may change their remits, particularly when training and enterprise councils and chambers of commerce merge. They have done so in the past and may do so again in future.

I am grateful to all hon. Members who have spoken, and I hope that the House will feel it right to speed the Bill on its way. Finally, I thank the Secretary of State for the time and attention that he has given to the Bill. The chambers of commerce will appreciate that, and I hope that they will also appreciate the spirit and detail in which we have scrutinised the Bill.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Breeding and Sale of Dogs (Welfare) Bill

As amended, in the Standing Committee, considered.

New Clause 1

ANNUAL REPORT

'Each local authority shall publish and present to the Secretary of State on an annual basis a written report stating—

(a) the number of licences granted or renewed to breeding establishments in the local authority area;

(b) the number of applications refused;

(c) the number of convictions under sections 4 and 9 of the Act;

(d) the number of disqualifications under section 5 of the Act;

(e) the number of appeals against convictions and disqualifications; and

(f) any other relevant matter as may be prescribed by the Secretary of State.'.—*[Mr. Maclean.]*

Brought up, and read the First time.

12.32 pm

Mr. David Maclean (Penrith and The Border): I beg to move, That the clause be read a Second time.

The clause imposes a new requirement on local authorities. I am largely satisfied with the Bill as it appears before the House. It is much better than the Bill that came before the House last year. What is more, we have the chance to give it a proper Report stage and Third Reading. We are able to explore issues that have been raised with me, although I do not intend to try to force changes in the Bill that would not be acceptable to the coalition of organisations—or to the Under-Secretary of State for the Home Department, the hon Member for Knowsley, North and Sefton, East (Mr. Howarth), or my hon. Friend the Member for Hertsmere (Mr. Clappison)—that has come together to try to make the Bill workable.

Having said that, we should consider some issues to ask whether the Bill could be improved, whether it contains something unnecessary or whether its provisions may contain any retrograde step. I hope that those who read *Hansard* once we have completed our deliberations will see that we have considered all the points that may worry them. I hope that they will conclude that the House accepted or rejected new clause 1 and the other amendments that I have tabled after full consideration and for sensible reasons. I hope that they will see that we have produced the best possible legislation to deal with a vexed problem.

The new clause would place an obligation on local authorities to publish a report and present it the Secretary of State. That obligation would not be too onerous on local authorities. Local authorities regularly have to present reports. They are bound by various charters and have to report on many aspects of how they conduct their affairs to the Secretary of State. In any case, most local authorities will want to state in their annual report to their electorate how well they have been operating various aspects of their business. Usually, they report on how well they are doing on environmental health issues, for example, giving the number of inspections carried out and so forth.

One obligation on local authorities is the licensing regime, which is set out in clause 1. The improvement under the Bill will be the involvement of veterinary practitioners in the reports and in coming to conclusions, which will add a professional expertise that was absent.

Since we have new legislation that is imposing new obligations, it would be worth while for local authorities to present a report stating how many licences have been renewed for breeding establishments in their area. We need to know whether the legislation is biting. We have all read about the awful examples of puppy farms in the country. I think that most of the original examples were in Wales. I make no slight on the new Welsh Assembly—indeed, it could not be a slight as the elections were only held last night for that body—or the Welsh people and I am not criticising breeders in Wales in particular. However, advocates of the legislation and those who say that something must be done always seem to quote examples of puppy farms in Wales.

People have different concepts of what constitutes a puppy farm. Some believe them to be huge places with hundreds of breeding bitches, while others rightly point out that the abuse can be as wicked, with the breeding of inappropriate dogs with genetic deformities, and the conditions in which animals are kept as horrific in a small operation. Whatever one's concept of the breeding establishment—the Bill gives a definition—it is important that local authorities report on how things are going.

In this place we have a tendency when we pass legislation to say on Third Reading, "This is a wonderful Bill. It is a great improvement and a great step forward." This Bill represents a great step forward compared with present legislation, but everyone knows that it is by no means perfect. The organisations that have come together to assist in its drafting all accept that they have had to make some compromises on the Bill that they would have written were they solely in charge. Everyone has had to compromise, but nevertheless we will all say that the measure is a great step forward.

After a Bill is enacted, we have a tendency to think that we will not need any more legislation on the matter for a while. We will think that in 1999 we enacted the Breeding and Sale of Dogs (Welfare) Bill—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. It might be as well if I reminded the right hon. Gentleman and the House that the scope for discussion on the new clause is very narrow. An occasional reference to the title of the clause and the need for an annual report does not excuse remarks that cover the substance of other clauses. The new clause would provide for local authorities to report in writing to the Secretary of State on the exercise of the powers conferred by a number of clauses in the Bill. It is not an opportunity for a Second or Third Reading debate.

Mr. Maclean: I accept your admonitions, Mr. Deputy Speaker.

The areas that I selected on which local authorities should report in new clause 1 represent some of the key powers conferred by the Bill. One has to be the number of licences granted or renewed to breeding establishments in the local authority area. It will be particularly useful to the Secretary of State and to hon. Members to know how many licences have been refused—that provision is in

paragraph (b) of the new clause. We want to know how many have been renewed and how many refused. We also need to know, as paragraph (f) provides,

"any other relevant matter as may be prescribed by the Secretary of State."

I hope that, if my hon. Friend the Member for Hertsmere accepts new clause 1, one of the relevant matters might be that local authorities would have to give explanations of why licences were refused. The bare statistics on refused licences are relevant. If more licences have been refused than in previous years, is it a statistical quirk or are local authorities applying the law more tightly? If so, it would be helpful for us and the Secretary of State to know the reasons.

Mr. Peter Atkinson (Hexham): I do not understand my right hon. Friend's logic. If a local authority's annual return to the Secretary of State said that it had issued 12 licences and refused none, that there were no convictions under clauses 4 and 9, no disqualifications under clause 5, no appeals against conviction or disqualification and no relevant matters, does that mean that the local authority is doing a good or bad job?

Mr. Maclean: I accept my hon. Friend's point. One could not come to a conclusion on the quality of local authority inspection or whether it was licensing in the same way as an authority that had refused the 12 licence applications that it had received. There will be disparities between local authorities. That is where new clause 1(f) comes in. It provides that authorities can report

"any other relevant matter as may be prescribed by the Secretary of State."

Even with my inadequate wording, it might be possible to have a quality control threshold. The Secretary of State might ask authorities to respond in terms of best value. I am not sure whether local authorities would be inspected on their enforcement of the Bill, but the Government are insisting on best value throughout the country. Rightly, part of that regime will be audit or quality control. I accept that the inadequate wording of my new clause means that we cannot be sure whether a local authority is doing a good job by refusing every licence or a sloppy one by granting them all. Paragraph (f) would allow the Secretary of State to build in mechanisms to allow us to make a guess about that or at least to get some information.

I do not want to labour my point in advocating new clause 1 because I have another important new clause on which I wish to speak and I know that other hon. Members want to contribute, but I want to touch on convictions. It is important to get a report on them from local authorities. The Minister may say that they are covered somewhere in the annual digest of convictions published by the Home Office. If we ploughed through it, we would find the convictions for various offences and crimes. After much study, we might find those that relate to animal offences or breaches of the Breeding of Dogs Act 1973. Those of us who take an interest in such matters would find it helpful if local authorities responsible for dog licensing and taking out prosecutions included in their reports to the Secretary of State their conclusions on the number of convictions under clause 4, which deals with imprisonment for keeping an unlicensed establishment. Clause 9 deals with the penalties in respect of clause 8 on the sale of dogs. It would be helpful to have information on convictions under clauses 4 and 9 and information from local authorities on disqualifications under clause 5.

Those who are concerned about inappropriate dog breeding and puppy farming need to know the number of people who have been struck off and the extent of the abuse so that they can get a measure of their success in trying to deal with it. The fact that a local authority may be highly successful in dealing with it is pertinent information to which the rest of us have a right. It would be helpful if other local authorities could see success rates.

Mr. Atkinson: I am grateful to my right hon. Friend for giving way to me a second time. Again, I have lost the logic of his argument. There might be several breeding establishments in some local authority areas—for example, those in rural areas such as those that he and I represent, where people often do such work as a sideline. However, if my right hon. Friend represented Kensington and Chelsea, the chances of finding dog-breeding establishments in that area would be most unlikely—although it is possible that there might be some. My right hon. Friend is comparing one quite different local authority to another; it is difficult to compare the activities of local authorities in rural and urban areas.

12.45 pm

Mr. Maclean: I accept my hon. Friend's point; it may be difficult to compare their activities. Nevertheless, each local authority would have to enforce the same legislation that is passed by the House. If my new clause were accepted, they would be under an obligation to report the same matters.

I think that my hon. Friend's point is not that what I suggest in the new clause is wholly wrong in concept, but that the new clause may be inadequate to deal with what is—yet again—a quality control measure. It is true that the number of people disqualified may vary in different authorities, depending on how active a local authority is in making prosecutions and on how many people are convicted. It will vary according to the attitude of the courts; courts in some areas may take a dimmer view of inappropriate activity under the breeding and sale of dogs legislation than those in other areas. One would hope not. However, the range of penalties will differ. Furthermore, when people are disqualified, there will also be differences from area to area.

Nevertheless, it is worth knowing how local authorities are proceeding, in order that such information can be shared not only by the Secretary of State, but by other local authorities and the rest of us. One of the small, but important, points in my new clause is that

"Each local authority shall publish and present to the Secretary of State".

The benefit of publishing is that it would allow best practice in local authorities to be shown. They could publish anywhere, either in a written document that people could read and say, "Ah, that's the way they're doing it in that local authority", or by putting the information on the internet or on their web pages. Many local authorities now do that with their annual reports and their charters. I commend that as a good way for local authorities to make that information easily available for people to see.

[Mr. Maclean]

By sharing best practice, we will make substantial improvements to animal welfare throughout the country. We may also achieve greater consistency in the enforcement of the provisions of the legislation, as local authorities take courage and take heart from the ways in which others carry out the provisions. When they study the published reports, they will be able to see the style and format. They will also be able to see any important matters referred to by the Secretary of State under paragraph (f) of the new clause. If he prescribes some quality control measures, the authorities will be aware of how others are carrying out such matters. That will be of general benefit.

I conclude by pointing out that I have suggested new clause 1 as a possible improvement. I am happy to accept the view of my hon. Friend the Member for Hertsmere or of the Minister that it is not necessary and that it is not an improvement, or that it would destabilise the coalition of interests that has come together to get the Bill into a negotiated state. I think that my new clause is a possible improvement. I should be happy if my hon. Friend accepts the substance of the new clause. Perhaps, in another place, we may come up with better wording or suggest a better means of drafting it. I should be happy if the Minister suggested that. At present, I commend the new clause to the House as worthy of some consideration.

Mr. Peter Atkinson: In another debate earlier today, my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) mentioned his suspicions of Bills that were consensus Bills. My suspicions too are aroused, because this is a consensus Bill. It was not debated on Second Reading, as it received an unopposed Second Reading several Fridays ago. It was discussed only briefly in Committee. Therefore, at this late stage, on Report, it is right that we test the Bill as much as we possibly can, to ensure that it has a reasonable chance of achieving that which it seeks to achieve. The test of a Friday morning Bill that tries to increase regulation or prevent people from doing things is whether its outcome is worth the bother. New clause 1 does not in any way compensate for the Bill's central weakness—the difficulty in identifying a puppy farm. I am sure that my hon. Friend the Member for Hertsmere (Mr. Clappison) will discuss that weakness at a later stage of the Bill.

New clause 1 seeks to place an additional burden on local authorities. That is unacceptable, unless it can be shown that the Bill is strengthened by making local authorities undergo such a rigorous and bureaucratic procedure. As I tried—possibly not successfully—to point out in an intervention on my right hon. Friend the Member for Penrith and The Border (Mr. Maclean), I cannot see what use it would be if one local authority said that it had had no appeals, no convictions, no disqualifications and no relevant matters of discussion, whereas another local authority said that, in the same year, it had turned down two licences and prosecuted once. That would not allow comparison between the performance of different local authorities. That is a weakness of the new clause.

If local authorities are given that burden and they report a nil scoresheet—if I may use that cricketing expression—it will aggravate dog lovers. We know what the British or the English dog lover is like. If dog lovers were to think that their local authority was not properly doing its job of looking after the interests of dogs, they would get very angry with that authority, even though it might be doing a perfectly good job. There might simply be no such establishments or identifiable establishments in its area. What a waste of time.

In another sense, legitimate breeders of dogs might be damaged. If one gives a local authority a sensitive target such as this one, it becomes rather like the parking warden who must issue a certain number of tickets to show that he is doing his job properly. We do not want local authority environmental health inspectors or enforcement officers—or whoever is given the duty—to run a league table to see how miserable they can make the life of perfectly legitimate and responsible dog breeders in the local authority area. There would be a temptation for local authorities to seek to interfere hugely and over-burdensomely in such establishments.

Local government already has enormous duties associated with environmental health, and new clause 1 would impose even more burdens. The House is in danger of initiating a chain of events, as it has done repeatedly before, by which the House passes the buck to local authorities to do things that we think are good. Hon. Members think that this Bill is a thoroughly good thing, so we shall pass it—and, by the way, the local authority will implement it. Then the local authority meets and decides what it will do, and passes the burden to the environmental inspectors. Those inspectors are then given that job, on top of all their other multifarious jobs.

My right hon. Friend the Member for Penrith and The Border must show that new clause 1 will significantly improve the Bill and correct what I perceive to be the Bill's essential weakness. He has not done so, so the House should reject new clause 1.

Mr. Andrew Dismore (Hendon): I have sympathy with the arguments expressed by the right hon. Member for Penrith and The Border (Mr. Maclean) and the hon. Member for Hexham (Mr. Atkinson). I agree that we should try to ensure some consistency in enforcement of the new legislation—assuming that it passes—but I am also worried that a disproportionate burden may be placed on some local authorities.

I am unaware of any dog breeding establishments in my constituency, yet presumably, if new clause 1 were passed, the local authority would be required to submit some sort of nil return. For the reasons given by the hon. Member for Hexham, I am concerned that that may generate concern among the—very strong—animal welfare lobby in my constituency as to why action is not being taken. We would then see all sorts of correspondence in the local papers about why we were not taking action against non-existent establishments.

I think the proposed new clause will place a disproportionate burden on my local authority, which has plenty to do already. If it were to establish a threshold in terms of the number of licences issued or make some other requirement before imposing obligations on local authorities, I might have more sympathy with it. That would ensure the consistency that the right hon. Member for Penrith and The Border seeks regarding the proper licensing and policing of establishments. However, we must not impose unnecessary obligations on the vast bulk of local authorities.

The Bill correctly places responsibility for enforcement on local authorities, which reflects local conditions and concerns. However, I am not sure why local authorities

should provide annual reports to the Secretary of State. What will that achieve? What will the Secretary of State do with those reports and all of that information? Will he put the reports in a filing cabinet and forget about them, or will he be obliged—this requirement is not in the new clause—to produce a report consolidating all the other reports? The next thing we know is that we will have an incredibly complicated bureaucracy and we will be using a sledgehammer to crack a walnut, given the relatively narrow geographical location of such establishments.

Mr. Maclean: I think the Secretary of State should be involved in the process because he may make regulations under clause 2 of the Bill, which relates to licensing conditions. As the Secretary of State has that regulation-making power, he should receive the reports so that he will know what is going on.

Mr. Dismore: I am grateful to the right hon. Gentleman for those comments, which clarify his argument.

If there were problems in enforcing the legislation, I am sure that they would be highlighted by the animal welfare lobby, which is very well organised—I am happy to be associated with it. It has been said that this is something of a compromise Bill: many hon. Members would like to see the legislation include other objectives that are not achievable at this time. So I question whether a great deal will be achieved by passing reports to the Secretary of State. I hear what the right hon. Gentleman says, but that will inevitably put pressure on the Secretary of State to start producing his own report on the subject.

I do not support the proposed new clause because I do not think it adds to the force of the Bill. We know that the groups involved are very well organised and that they will highlight any problems. I am sure that the Royal Society for the Prevention of Cruelty to Animals and other organisations will ensure that there is co-ordination between enforcement bodies. While I sympathise with what the right hon. Gentleman is trying to achieve, I believe that the proposed new clause goes a little too far.

Mr. James Clappison (Hertsmere): I have listened carefully to the arguments that have been advanced this morning, particularly by my right hon. Friend the Member for Penrith and The Border (Mr. Maclean). I am grateful for his general support for the Bill and for the thoughtful way in which he proposed the new clause.

My right hon. Friend was correct in saying that the Bill has flowed from the work of 11 major organisations representing animal welfare, dog breeders, local authorities, the veterinary profession and the pet care industry. They have worked together closely to lay the foundations of the Bill, which strengthens existing legislation, closes loopholes and addresses the serious problem of some—but not all—large breeding establishments where standards fall well short of the desired levels. I emphasise that the legislation is aimed not at the responsible small hobby breeder but at the irresponsible minority of large breeding establishments.

The Bill does not intend to impose inappropriately burdensome requirements either on those who must enforce the legislation or on those who must comply with it. In that context, I turn to the contents of new clause 1 as I think the contributions by my hon. Friend the Member for Hexham (Mr. Atkinson) and the hon. Member for Hendon (Mr. Dismore) have demonstrated that there are some grounds for concern that the requirements that it imposes on local authorities would be inappropriately burdensome. I understand my right hon. Friend's worthy objectives in tabling the new clause, but I wonder whether it is entirely appropriate for the burdens set out in it to be imposed on local authorities. I understand that it is tempting, with a Bill such as this, to try to lay on local authorities a requirement to publish and present reports. I have no doubt that, in some instances, there is a good case for doing so, but I am not entirely convinced that the case has been made on this occasion. I listened carefully to the interesting arguments that my right hon. Friend advanced.

1 pm

I am also concerned about the open-ended nature of the requirement under paragraph (f), which refers to

"any other relevant matter as may be prescribed by the Secretary of State."

That is a requirement that local authorities might have to report back on "any other relevant matter". In another context—my right hon. Friend will know what I mean—I have come to take rather a jaundiced view of open-ended requirements under secondary legislation. That jaundice extends to the requirements that we are considering.

In considering the new clause in its entirety, I am concerned that it may be inappropriate, and burdensome on those who have to enforce the Bill. I do not, of course, know what view the Government take. The Minister is better placed than us to form a view of how burdensome the new clause would be, but I suspect that it would, indeed, be burdensome.

During consideration of the previous Bill some tributes were paid to the Secretary of State for Trade and Industry for attending the debates. I have no doubt that the right hon. Gentleman was present because the House was considering a very important piece of legislation. I am grateful to the Under-Secretary of State for the Home Department for the personal interest that he has shown in the Bill and for the support that he has given it. I have no doubt that that interest and support will be reflected in his contributions on Report. We have had a useful debate and the sentiment behind the new clause is worthy, but I am not sure that the case for it has been made.

The Parliamentary Under-Secretary of State for the Home Department (Mr. George Howarth): As the right hon. Member for Penrith and The Border (Mr. Maclean) rightly said, the new clause would require each local authority annually to submit a report to the Home Office on the operation of this proposed legislation to regulate dog breeding establishments. Enforcement is a key element in the effectiveness of legislation: if it is not enforced, it will not be effective.

It is well known that there is room for some improvement in the area to which the Bill relates, but local authorities have said that the problem of enforcement is that there are loopholes in existing legislation. They say that there is no lack of will on their part to deal with the problems mentioned by the hon. Member for Hertsmere (Mr. Clappison), for whose kind comments I am grateful. The point of the Bill is to close existing loopholes.

As the hon. Members for Hertsmere and for Hexham (Mr. Atkinson) and my hon. Friend the Member for Hendon (Mr. Dismore) have said, it would be bureaucratic

[Mr. George Howarth]

if an annual report had to be compiled by every local authority. The requirement would mean that the Home Office would have to analyse the statistics and produce a report itself. That might be an internal report.

I hope that the right hon. Member for Penrith and The Border will accept that the new clause would make the Bill unnecessarily cumbersome. It is obviously right that we should try to ensure that the Bill is implemented properly, and, to ease the right hon. Gentleman's mind, I give him the commitment that the Home Office will review the situation after a reasonable period following the Bill's enactment. We shall subsequently determine whether it is necessary to introduce more prescriptive reporting procedures such as those that the right hon. Gentleman describes; and, if so, whether that might be dealt with in guidance to local authorities—which we are already able to issue. Those remedies are available if we feel that is necessary to use them. Moreover, as with all legislation, we shall keep an eye on how the provisions work after implementation.

I therefore hope that the right hon. Member for Penrith and The Border will accept that we shall be vigilant, and that, if it is necessary to issue guidance to local authorities requiring them to record and report in greater detail, we shall do so. At this stage, however, I prefer to give authorities the opportunity of using the Bill in trying to get to grips with the problem.

Mr. Maclean: I am very grateful to the Minister for his customarily courteous and sensible reply. In the circumstances, I am willing to accept his assurances. He has been brave enough to breach the Home Office wisdom of the past few years, which has been, "Don't touch legislation on dogs," and to get involved. Although, on a previous Friday, he was not fortunate enough to ensure the Bill's passage, his involvement today—with that of my hon. Friend the Member for Hertsmere (Mr. Clappison)—may prove to be more productive.

The Minister's offer was satisfactory. However, I should like just to reply to one small point made by my hon. Friend the Member for Hertsmere. He said that the legislation is designed to catch the big breeders, not little hobby breeders. I appreciate that, but let us not turn a blind eye to bad welfare conditions provided by little hobby breeders. Let us not assume that, because someone is a small breeder, their animal welfare is very good: it could be deplorable.

Nevertheless, in the light of the Minister's assurances, I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

New Clause 4

BREEDING OF DOGS: OFFENCES

'The keeper of a breeding establishment shall be guilty of an offence if he—

(a) breeds a dog without previously gaining a certification from a veterinary practitioner or veterinary surgeon that both the bitch and the sire were in a fit state for breeding purposes and that they were not suffering from any congenital defects; or

(b) knowingly mates two dogs who are brother and sister.'.—*[Mr. Maclean.]*

Brought up, and read the First time.

Mr. Maclean: I beg to move, That the clause be read a Second time.

New clause 4 is perhaps more important than new clause 1, particularly as it mentions the problem of

"suffering from any congenital defects".

When I say that the new clause may be more important, I mean that the problem with which it deals is a vitally important one which one day—with or without the assistance provided by the mechanisms in the Bill—I hope that dog breeders and veterinary organisations will be able to get to grips with and stamp out.

I am conscious that—as with new clause 1—if I am too keen in my advocacy of the new clause, I may destabilise the consortium that has formed to ensure the Bill's passage. Nevertheless, I should like to float the ideas expressed in the new clause. Perhaps, in another place, the provision will be considered, and a better or shorter version of it will be tabled, to deal with the problem of congenital defects.

Paragraph (b) deals with the breeder who

"knowingly mates two dogs who are brother and sister."

It will be obvious to everyone concerned that I am an expert neither in veterinary matters nor in dog breeding practices. However, I am interested in the effects of breeding and in the progeny of such dogs. I should be desperately concerned if breeding malpractice caused congenital defects which would be very painful and very expensive to correct.

Of the 39 member states of the Council of Europe, 11 have signed and ratified the European convention for the protection of pet animals. The United Kingdom has not yet signed up to it. Article 5 was amplified by a resolution, adopted in 1995, encouraging breeding associations to reconsider breed standards to counteract development of the extreme characteristics that may cause welfare problems, by taking into account the anatomical, physiological and behavioural characteristics likely to put at risk the health and welfare either of the offspring or of the female parent.

The convention indirectly advises against the use of line or incestuous breeding. Constantly breeding brothers and sisters together, all too frequently results in dogs with odd behavioural characteristics. Incestuous breeding of cocker spaniels in one line can result in spaniel rage. Such breeding can produce dogs that are mad or hyperactive or have other behavioural problems.

I should also put forward the opposing arguments to ensure that those with different views have their points represented. I am happy for my hon. Friend the Member for Hertsmere (Mr. Clappison) to say that my argument may be a good one but would cause problems in the Bill and should be dealt with in other legislation. The contrary point, as dog breeding organisations have pointed out, is that introducing such a restriction on mating dogs who are brother and sister would result in the disappearance of the breeds of dog that we know, love and cherish because of the characteristics that we see on the television at Crufts. Those breeds have come about because of inbreeding. Fathers are put to daughters, grandfathers to granddaughters and brothers to sisters. Once a certain

genetic trait has been found in an animal and there is a litter of puppies in which the males and females have a particular good quality—it might be the length of leg, conformity, coat order or an ability to sniff out game—people breed the brothers and sisters in the hope of getting more puppies with similar characteristics.

The top champions are apparently a result of such selective breeding over generations. It frequently involves what we would consider in human terms to be incest but what in animal husbandry can be regarded as a harmless form of animal eugenics that produces a dog of a particular nature. I am told that line breeding is frequently tempered by outbreeding to other lines. Occasionally an outside line of dog is bred in, avoiding the marginal risks arising from line breeding and preventing the canine madness that may be possible in some species.

I have presented the arguments on both sides. I am in no position to judge. I leave it to my hon. Friend, the Minister or the veterinary profession to do so. I am happy to accept their judgment if paragraph (b) is not helpful in the process of getting the Bill on the statute book.

Paragraph (a) deals with the very difficult issue of congenital defects. The problem has to be tackled sooner or later, perhaps by legislation. It is currently being tackled by voluntary means through the British Veterinary Association, the Kennel Club and, for congenital eye problems, the international sheepdog society. The horrific scenes that we frequently see on puppy farms are well documented. Animal welfare groups can quote them and show pictures. The clause would be a radical improvement on existing welfare provisions for breeding bitches by ensuring that they were physically fit enough to cope with the rigours of pregnancy.

We know that there are hundreds of unlicensed puppy farms in Britain. It is estimated that there may be 70,000 puppies a year bred for profit from those farms. The dogs are usually sold to middlemen for cheaper than the usual price. They often have undetected health problems, and that is the iniquity. People buy puppies that are only a few months old. A vet can tell whether a puppy may have a problem, but potential purchasers are often unaware that it has congenital defects that will come to light later resulting in agony for the dog. In some cases they have to be put down, but many undergo expensive surgery and veterinary treatment and the new owner still does not end up with a fit and active dog.

1.15 pm

Unlike horses, which are generally vetted and checked out before purchase, puppies are usually sold on sight. We can improve the health of puppies and try to eradicate the sale of congenitally diseased puppies by trying to ensure that the parents are healthy specimens. The new clause would ensure that in future people buying puppies will not be saddled with the financial and emotional burden of discovering that they have bought a desperately sick animal.

As there are no veterinary surgeons in the House, we are all average dog owners who are not well versed in the intricacies of dog ailments. When we make judgments on buying puppies, I suspect that most of our concerns will be emotional ones. We will not be looking to see whether the legs are correct or whether there is a possibility of dysplasia or retinal problems. We assume that the puppies are healthy.

In Committee, the hon. Member for Basildon (Angela Smith) mentioned a constituent who had bought a dog in good faith, only to pay a fortune in vet's fees as a result of its poor breeding and congenital defects. There are thousands of examples up and down the country. The new clause would ensure that the Bill addressed that problem.

Congenital ailments are an inherent problem in dog breeding and in many instances they can be avoided by careful selective breeding. The most common problems include heart problems, hip dysplasia, spinal problems and ingrowing eyelashes. A few years ago I saw a television programme about a breed of dog called the Shar-Pei—a Chinese breed that died out at the end of the last century. It had been recreated by breeding together the types of dog that were thought to have created the Shar-Pei in the first place. Although the breed had evolved from dogs breeding in China over thousands of years, it had been recreated by breeding together X, Y and Z types of dog. The result was a dog that looked like the original Shar-Pei breed although the skin folds are so intense that they get rotten diseases in the flesh. Worst of all, because of the way in which the dogs have been bred, they suffer from ingrowing eyebrows and eyelashes that cause awful pain and distress. That is the most extreme example of genetic breeding—trying to recreate a dog in a certain mould when the original species has died out.

In Britain, ordinary breeds of dog that we know and love—particularly retrievers and labradors—are being bred with hip dysplasia. When those dogs have puppies, they inevitably also have hip dysplasia. Hip dysplasia is a broad term that encompasses many developmental and other abnormalities of the hip joint. The simplest way to put it is that if someone buys a puppy with hip dysplasia, within 12 months they will have a crippled dog trying to drag itself around because it cannot walk. I shall not sicken the House with some of the details that the British Veterinary Association has supplied me with about hereditary eye diseases and other congenital defects relating to elbows.

At the moment, the British Veterinary Association, the Kennel Club and—in the case of the eye diseases of collie dogs—the National Sheepdog Society have a voluntary screening programme in an attempt to screen out all dogs with congenital defects so that people do not breed from them. If they do not breed from them, the problem is eradicated.

My new clause proposes that that process should be put on a statutory basis. That can be done relatively simply, as the British Veterinary Association has panels around the country that are capable of doing it. I accept that that will not deal with every problem, and that the reference in the new clause to the dogs being in a "fit state" for breeding has a severe weakness; a vet might not be able to tell, and the dog's owner might be in a better position.

Nevertheless, the second part of the sentence—

"and that they were not suffering from any congenital defects"

—could make a significant impact. It could be possible to deal with the common types of congenital defect, such as hip dysplasia, retinal dysplasia, collie eye anomaly, hereditary cataract, primary lens luxation—

Mr. Deputy Speaker: Order. The right hon. Gentleman is experienced enough to know that he is now indulging in repetition and remoteness. I would be grateful if he came back to the core of the new clause.

Mr. Peter Atkinson: Come to heel.

Mr. Maclean: I shall do as my hon. Friend suggests. The problem is that some dogs cannot come to heel because of congenital defects.

The new clause may have some deficiencies, as it deals with some vague and loose aspects. However, the part dealing with congenital defects is the most serious point. I believe that dealing with congenital defects in dogs and other animals used for breeding purposes should be tackled with more statutory backing than at present. If that can be done in this Bill, so be it, but I am happy to accept the assurances of my hon. Friend the Member for Hertsmere and the Minister that this Bill is not a suitable vehicle. However, I want the House to know that this is a serious problem that must be tackled.

Mr. Peter Atkinson: This is the kamikaze new clause from my right hon. Friend the Member for Penrith and The Border (Mr. Maclean), in that he is aiming at the right target but will probably die in the attempt. If he knows anything about the world of dog breeding, he will realise that he is treading in some extremely dangerous territory with the new clause. He will have had some experience of dog shows, and the people who take part in them—excellent people though they are—are terribly dedicated, and they all have strong and differing opinions. One of the problems for the dog world is to get any form of agreement on anything. That is the strength of the dog breeding world; it is also its weakness.

When my right hon. Friend refers, effectively, to seeking to outlaw line breeding, he moves into difficult territory as far as breed societies are concerned.

The new clause talks about "congenital defects". We may think we know what that means, but it is the subjective decision of a vet. Vets disagree profoundly on what is and what is not a defect in a dog. My right hon. Friend referred to hip dysplasia, and we would all agree that that should be bred out. It is right that dogs are scored for hip dysplasia, but the difficulty comes in other matters, such as breed standards. Although this would not be considered a congenital defect, there is great controversy among vets and breed societies about tail-docking.

There is considerable disagreement on whether the breeding that has taken place over many generations to turn a dog from a utilitarian dog to a show dog has caused a congenital defect. The classic example is the bulldog, which was obviously designed for the old-fashioned and unpleasant activity of bull baiting. It has now been bred into a completely different dog, but many would say that breeding to meet show standards has produced a dog with congenital breathing defects.

The new clause moves into territory that is better left to the breed societies and to the good sense of the professional breeders and those who buy dogs. Caveat emptor must apply. It is very bad news that members of the public who are ignorant of the problems that certain breeds are likely to have will buy dogs without having them properly vetted. Anyone wanting to buy a labrador should first demand that its hips are scored by a vet; anyone failing to do that would fall into the same category as someone who buys a second-hand car without having it properly tested. Although it may be damaging to the breed, one cannot protect fools from themselves.

There should be more publicity from the breed societies to ensure that people who want to buy pedigree dogs do so from respectable breeders whose dogs are properly registered with the breed society and the Kennel Club. That, and not the new clause, is how we can overcome the problem.

Mr. Dismore: On the point about caveat emptor, if I intended to spend hundreds, if not thousands, of pounds on a dog, I would certainly get it checked by a vet first; but I fully accept what the right hon. Member for Penrith and The Border (Mr. Maclean) said about people getting caught by sentiment and putting their heart before their head. If somebody buys a dog that is found to have a serious congenital defect, with all the consequent vets' bills and so forth, redress may well be available under the Sale of Goods Acts, although that is a convoluted way of dealing with the problem identified in the new clause.

Subsection (b) of the new clause concerns in-breeding. I used to have a dog. She died about six months before the general election, of old age. She was absolutely fit until the day she died. She happened to be a mongrel, and there was no evidence whatever of in-breeding in her background.

Mr. Clappison: I listened carefully to my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) who suggested some worthwhile objectives and expressed some very worthy sentiments. I can give him the general reassurance that the Bill's provisions will put animal welfare considerations at the heart of the licensing process for breeding establishments, by requiring the participation of veterinary practitioners or surgeons.

Dog welfare considerations, concerning overbreeding and breeding too young—practices that have resulted in some of the problems to which my right hon. Friend alluded—will be at the heart of the Bill. It is certainly extremely distressing when members of the public unsuspectingly buy puppies that turn out to have congenital defects and all sorts of problems.

The new clause arises from worthy intentions but it may be a little on the impractical side. I await with interest the Minister's view, but it seems to me that the new clause would require a breeder to engage the services of a vet before each proposed mating. That would have very wide-ranging implications and, if that is the correct interpretation, I certainly would not want to go that far. I wait to hear the Minister's view, but I have some misgivings about the practicality of the proposal.

I hope that my right hon. Friend will be able to draw reassurance from the fact that the Bill tackles many of the problems inherent in some large-scale puppy farming establishments, and that it will go a long way towards solving them.

1.30 pm

Mr. George Howarth: New clause 4 is intended to deal with a problem that the right hon. Member for Penrith and The Border (Mr. Maclean) described well, but the remedy that he proposes would impose undue and inappropriate regulation. It would make it an offence for a breeding establishment to breed a dog without the veterinary surgeon certifying

"that both the bitch and the sire were in a fit state for breeding purposes and that they were not suffering from any congenital defects",

or knowingly to mate

"two dogs who are brother and sister".

The proposed new offence should not be introduced, for two reasons. First, as the hon. Member for Hertsmere (Mr. Clappison) pointed out, it would require the breeder to call upon the services of the veterinary surgeon before each proposed mating. That would have resource implications, not only for the breeder but, down the line, for the purchasers of puppies.

Secondly—the hon. Member for Hexham (Mr. Atkinson) made the same point as I am about to make, although in a different way—a vet cannot always give an opinion on suitability for breeding. Indeed, the hon. Gentleman went further and said that often the owner would be better able to make that judgment than a vet called in to carry out an examination for that purpose.

Moreover, after the clinical examination, anything could happen. The vet could issue the appropriate certificate, then something could happen, as a result of which something could go wrong with the breeding. Then, when someone had bought the puppy, there might be litigation, not because anybody had done anything wrong but because something had changed between the issue of the certificate and the event.

I do not believe that a responsible breeder would deliberately mate dogs that were brother and sister—although I do not say that that would never happen, and I am being careful with my use of the word "responsible". As the right hon. Member for Penrith and The Border said, to do so would run the risk of causing abnormalities in the progeny. Apart from the obvious animal welfare considerations, it would not be in the best interests of breeders to run the risk of creating puppies with defects.

The hon. Member for Hexham was right to say that there are safeguards, especially in connection with the breed societies and the Kennel Club, which are perhaps the best bodies to deal with the situation. I can remember a constituency case some years ago that involved such issues, including determining the precise breed of a dog. It was satisfactorily resolved in the end by bringing the breed society and the Kennel Club into the equation.

My experience in such matters is that if one can achieve good voluntary regulation, such as that provided by the breed societies and the Kennel Club, that is better than over-heavy regulation, especially when some of the offences could be serious. I therefore hope that the right hon. Gentleman, even if he is not entirely reassured by my words of wisdom, will accept that the proposed new clause would be inappropriate.

Mr. Maclean: We are almost there. I have listened carefully to the Minister and to my hon. Friend the Member for Hertsmere (Mr. Clappison), and I accept the deficiencies in the new clause. I accept the difficulties in requiring that a veterinary surgeon must determine that both the bitch and sire are in a fit state for breeding. Even if the somewhat loose terminology were right, it would impose the awful regulatory burden of checks on every occasion and that was not my intention.

I wanted to address the problem of congenital defects, and the Minister may have given me a clue. Under the Breeding of Dogs Act 1973, in determining whether to grant a licence for the keeping of a breeding establishment for dogs, the local authority shall

"in particular (but without prejudice to their discretion to withhold a licence on other grounds) have regard to the need for securing that the dogs will . . . be kept in accommodation suitable as respects construction, size of quarters . . . lighting, ventilation and cleanliness . . . that the dogs will be adequately supplied with food, drink and bedding material . . . and"—

this is the important point—

"all reasonable precautions will be taken to prevent and control the spread among dogs of infectious or contagious diseases".

We know what sort of diseases the Act means.

Clause 2 of the Bill would give the Minister a regulation-making power and the solution to the congenital defects problem might be for the Minister to make regulations permitting the local authorities to withhold licences, or to add the condition that the owners of the breeding establishments should operate the voluntary schemes run by the Kennel Club and the British Veterinary Association. I have all the details of those schemes for dealing with the eye defects and the hip and elbow dysplasia defects. I do not want an answer from the Minister today, and perhaps the issue could be addressed in the other place.

Hundreds of other congenital defects might be more difficult to detect. My new clause would cover all congenital defects that might need more than a vet with an ophthalmoscope to discover them, such as expensive x-rays. Through the licensing route, it might be possible for the Minister to give powers to the local authorities to insist that breeding establishments operate the congenital defects schemes. I hope that the Minister will bear that point in mind as a possible avenue—without destabilising this Bill—to giving more impetus to dealing with the ghastly congenital defects that have been bred in some dogs, in some cases deliberately. With those observations on the kind responses from the Minister and my hon. Friend the Member for Hertsmere, I am happy to beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 1

INSPECTION AND REPORT BEFORE GRANT OF LICENCE

Mr. Clappison: I beg to move amendment No. 1, in page 1, line 15, leave out 'may' and insert 'shall'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 11, in line 22, at end add

'and shall make the report available for inspection by the applicant'.

No. 2, in line 22, at end add—

'(2C) Any report published under subsection (2B) above shall take account of records kept by the breeding establishment.'.

No. 12, in line 22, at end add—

'(2C) No inspection shall involve the taking of photographs of any premises without the prior consent of the owner'.

Mr. Clappison: As I have said, the welfare of breeding bitches and their puppies is at the heart of the Bill. As the Bill stands, on receipt of an application for premises that have not previously been licensed, the local authority must arrange for an inspection by a veterinary surgeon or a practitioner. That is an advance on the position under existing legislation.

As the Bill stands, in other cases—such as when the premises have previously been licensed and the holder of the licence is applying for a renewal—the local authority

[Mr. Clappison]

has a power, but not a duty, to arrange an inspection by a veterinary surgeon or practitioner. It has a duty to arrange an inspection by a veterinary surgeon or practitioner on the first application for premises not previously licensed, but if the application is for renewal, there is a power to inspect, but no duty. The amendment turns that power into a duty. The local authority would have to arrange an inspection in those cases. The amendment strengthens the Bill, catering for cases that might arise and strengthening animal welfare provisions. It is worth while, and I am glad to have the support of my right hon. Friend the Member for Penrith and The Border (Mr. Maclean).

Amendments Nos. 11, 2 and 12 have worthy objectives, but I fear that cannot support them as strongly as amendment No. 1. In general, the amendments tabled by my right hon. Friend the Member for Penrith and The Border are too prescriptive. Amendment No. 11 would require a report of an inspection made by a local authority and a veterinary practitioner to be made available to applicants in all cases. The requirement in amendment No. 2 that those who carry out inspections should take account of the records of breeding establishments in every report and inspection is also too prescriptive.

Amendment No. 12 is too prescriptive in another direction, in that it prevents any inspection involving the taking of photographs on premises without the owner's prior consent. I am curious about that amendment, but feel that it would be too prescriptive.

I commend amendment No. 1 to the House as it would be an important step forward and a further important provision in safeguarding the welfare of breeding bitches and puppies.

Mr. Oliver Heald (North-East Hertfordshire): The Opposition support the Bill. We see inspection of premises as lying at the heart of the Bill and the improvement of the welfare of dogs and puppies in commercial breeding establishments. Anyone who has been a dog owner—I own one—will have been disgusted by reports of dogs and puppies being kept and bred in the most appalling surroundings. That is why the Bill is welcome, and the rules for inspection of premises particularly so.

We support amendment No. 1 because of a weakness in the Bill. Under the Breeding of Dogs Act 1973, licences are issued for only one year, and the existing Bill would allow an authority to reissue a licence without reinspecting premises. Circumstances in a breeding establishment can change markedly in 12 months, and the amendment would ensure that all of them were inspected at least once a year. Without it, an authority may be tempted—perhaps because of lack of resources—to neglect to inspect premises. That might allow an unscrupulous and cruel owner to continue with unsatisfactory practices.

The Opposition support amendment No. 1, but I agree with the comments made by my hon. Friend the Member for Hertsmere (Mr. Clappison) about the other three amendments.

Mr. Maclean: I shall speak briefly about amendments Nos. 11, 2 and 12 and the one moved by my hon. Friend the Member for Hertsmere (Mr. Clappison). Under the Breeding of Dogs Act 1973, licences are issued for a year. The law allows a local authority to reissue a licence without inspecting premises. I take the point made by my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) that circumstances can change considerably over 12 months. Amendment No. 1 would ensure that all establishments were inspected at least once a year. Without that provision, a local authority might be tempted to concentrate on other priority areas.

1.45 pm

On the other hand, I am conscious that I do not want to put an undue burden on local authorities. I am also conscious that, while I support the amendment moved by my hon. Friend the Member for Hertsmere—I hope that the Minister will say that it is acceptable and all the groups concerned will be happy with it—which is worthy and which I would be happy for it to be pressed, I am not sure whether it is worthy enough if it ends up destabilising the legislation. I will leave it to the Minister to conclude whether it is acceptable in those circumstances.

Amendment No. 11, which is in my name alone, is a probing amendment, as are amendments Nos. 2 and 3—I do not intend to press them against the wishes of the Minister or those of my hon. Friend. Amendment No. 11 would make the report available for inspection by the applicant. I am sorry if it is too prescriptive—it was intended simply to be fair.

At present, no provision exists for applicants to inspect reports on their establishments, but under section 1(5) of the Breeding of Dogs Act 1973, if applicants are aggrieved by the refusal to grant a licence they may appeal to a magistrates court. Surely it makes sense for applicants to have access to a report that rules against them being granted a licence so that they can mount a suitable defence. By having access to the report on his property an individual would be able to make suitable improvements to the establishment to tackle any problems. He would therefore be in a position to make a successful application for a licence the following year.

In the spirit of open government that this Minister and other Ministers espouse, I should have thought it only fair that any person whose property is being inspected—in many cases, property that is not on some separate industrial site but is close to the home, as many kennels are attached to the house or are in the garden—should have access to the report, especially as the inspection will probably include the back kitchen of the house.

I hope that that suggestion will be taken on board in that spirit for people who are refused a licence. I accept that the provision might be too prescriptive if every person who was granted a licence could demand to see the report. If someone is refused and has the right of appeal, it seems fair that he or she should have a copy of the report on which the rejection was based.

Amendment No. 2 states that any report should take account of records kept by the breeding establishment. Those records must clearly display the breeding lines of puppies sold, which would enable vets to check that a breeder is not employing excessive line breeding, which we discussed earlier. The records should also include written confirmation from vets that bitches had been certified as fit to breed prior to mating. I will not press that amendment as I would have to go over similar ground to that covered on an amendment that I withdrew earlier.

Amendment No. 12 concerns taking photographs of premises without the prior consent of the owner. In many cases, kennels are attached to or in the garden of someone's house in the country or on the edge of a town. We are not talking about property on an industrial estate. I suspect that the kitchen where the dog and puppy food is made will be the kitchen of the house, although there may be separate storage facilities. In many cases, the premises are more closely integrated with the residential home than is the case with other industries.

I do not feel too strongly on the matter and am simply floating the idea that if someone from the local authority decides to take photographs he might be photographing someone's home and gardens. Hon. Members may say, "So what? If people are in the business of dog breeding and a report has been made against them, the authority should have the right to photograph anything it likes." That may be a legitimate point.

Mr. Dismore: Surely photographs are likely to be taken when those carrying out the inspection want evidence of malpractice or a poor standard of premises to attach to their report. In those circumstances, the amendment would give the dog breeder a right of veto over the collection of that evidence.

Mr. Maclean: The hon. Gentleman has a strong point. I would not want my amendment to rule out collecting important evidence because photographs were banned. I have not been able to phrase my amendment in a better form that would allow some rights to privacy to people in their homes. I do not want it to be a veto on the collection of evidence against people who should be disqualified or have criminal action taken against them. That is why I prefaced my remarks by saying that I do not feel too strongly about the point, but I thought that it was worth floating. I am glad that the intervention of the hon. Member for Hendon (Mr. Dismore) was not longer or he might have persuaded me that the amendment was totally flawed. I leave it there. The other amendments in the group are more important.

Mr. Peter Atkinson: I make a brief plea to allow discretion to local authorities. We had a "may" and "shall" debate earlier. It is wrong for the House to be so prescriptive that local government cannot make its own choices. It is nonsensical for a breeding establishment that is well known and respected in an area to be inspected to such a degree every year. Local authorities should be allowed to make that judgment and issue a licence without inspection. We should all seek to minimise the burden of regulation rather than adding to it without positive gain.

In the same way, I am cautious about amendment No. 11. I am not a lawyer, but, except for the hon. Member for Leyton and Wanstead (Mr. Cohen), I seem to be surrounded by them. The local authority report would have to be confidential because if it were published and given to an applicant for a licence, it would have to be provable. An inspection might take the overall view that there was something wrong with the kennel but not identify a particular item as the cause for refusing the licence. If the applicant decided to go to court to appeal against refusal, the local authority would have to justify its stance. I oppose amendment No. 11.

I have more sympathy with amendment No. 2 because anyone in the serious business of breeding dogs should keep proper records. All those who breed properly already do. It is certainly a requirement in the breeding of livestock that complete records of progeny and pedigree are kept. I see no reason why a serious dog breeding establishment should not do likewise. The absence of proper records would suggest that an establishment was defective and unsuitable for a licence.

Mr. George Howarth: The Bill provides that a local authority, before granting a licence, can determine whether it considers it necessary to inspect the premises of a person who has previously been licensed in respect of dog breeding premises. Amendment No. 1 would oblige local authorities to arrange for the inspection of such premises by a vet and/or an official before granting a licence. That would be an improvement in that such inspections could only be for the good of animal welfare. For that reason, I recommend that the House accept the amendment.

On amendment No. 11, clause 1 provides that on receipt of an application for the granting of a licence to operate a dog breeding establishment, a local authority may, depending on the circumstances, arrange for an inspection of the premises. A report is compiled about the premises, the applicant and any other relevant matter, and considered before the determination whether to grant a licence. Amendment No. 11 would require the report to be made available for inspection by the applicant. Although I sympathise with the principle behind the amendment, which the right hon. Member for Penrith and The Border (Mr. Maclean) made clear, I am not very happy about the way in which it is proposed to proceed. The amendment would require local authorities to make the report available in all cases, whereas I think it would be more appropriate that they should do so only if that was requested by the applicant. I understand where the right hon. Gentleman is coming from, but the amendment is unnecessary and might even lead to problems for the reasons that have been discussed.

Amendment No. 2 covers a different matter. Clause 2(2)(i) requires that

"accurate records in a form prescribed by regulations are kept at the premises and made available for inspection".

The amendment requires that any report of inspections of premises for licensing purposes

"shall take account of records kept by the breeding establishment."

Clause 1 includes the requirement that such reports may take account of "any other relevant matter". Records kept by breeding establishments may of course be relevant to considerations of whether to grant a licence. However, as the hon. Member for Hertsmere (Mr. Clappison) pointed out, we do not want to be too prescriptive as to the inspection of premises. If necessary, that could always be brought out in guidance to local authorities. That seems the most appropriate way to deal with any problems that might arise.

Finally, amendment No. 12 would prohibit the taking of photographs of premises during an inspection by a local authority veterinary surgeon without the consent of the owner. I am not aware that local authorities routinely resort to photographing premises as part of their procedure for compiling reports. Such occasions are likely to be most exceptional, and, in those circumstances, there may be good reasons to use that procedure. Again, I would not want to be overly prescriptive as to how a local authority conducts its inspections. The hon. Member for Hexham (Mr. Atkinson),

[Mr. George Howarth]

who is in the Chamber but somewhat peripatetic at the moment, pointed out that a local authority should be able to use a reasonable degree of common sense in deciding what is most appropriate. I would not want to rule out the use of photographs, or to hedge in such use in the way that the right hon. Member for Penrith and The Border may have intended in the amendment.

I hope that the House will accept amendment No. 1 and that the hon. Member for Hertsmere will not press the other amendments in the group, as they are either overly prescriptive or unnecessary.

Amendment agreed to.

Clause 2

LICENCE CONDITIONS.

Mr. Maclean: I beg to move amendment No. 13, in page 2, line 4, at end insert

'and not more than ten years old, unless with specific written veterinary recommendation'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 14, in page 2, line 9, leave out from 'puppies' to 'and' in line 11.

No. 15, in page 2, line 15, at end insert 'or any potential buyer'.

Mr. Maclean: Amendment No. 14 is the most important in the group as it deals with a particular problem. Time is pressing and my hon. Friend the Member for Hertsmere (Mr. Clappison) is keen to explain the content of the amendments, so I shall leave the argument to him.

Mr. Clappison: As my right hon. Friend correctly anticipated, amendment No. 14 is important. Clause 2 deals with

"matters to which a local authority shall have regard in determining whether to grant a licence"

to a breeding establishment. It adds to the matters that are included in existing legislation, such as overbreeding by bitches—something to which I have already adverted and which is a frequent cause of complaint. Subsection (g) refers to bitches giving birth to more than six litters. That matter must be considered.

2 pm

Amendment No. 14 deals with a similar point in relation to clause 2(2)(h). As the Bill stands, paragraph (h) creates an exception—it allows bitches to have another litter within 12 months of giving birth to the previous one

"where a veterinary surgeon or . . . practitioner has given written advice that breeding would not be harmful".

Amendment No. 14 removes that exception.

I understand that the British Veterinary Association supports the amendment because, in its view, a vet cannot give an opinion on the suitability of breeding in the circumstances that I have outlined. It is obviously inappropriate to have in the Bill the exception based on the vet's written advice if the British Veterinary Association takes the view that a vet cannot give such an opinion. It must be right to remove that exception. To do so does not weaken the Bill; in fact, it may well strengthen it.

Mr. George Howarth: First, I deal with amendment No. 13. In considering whether to grant a licence to a dog breeding establishment, a local authority is required to have regard to criteria set out in section 1(4) of the Breeding of Dogs Act 1973, and to include such criteria in the licence. The amendment would require that bitches are not mated if they are more than 10 years old, unless on the written recommendation of a vet.

Secondly, although the Bill requires that bitches are not mated if they are less than one year old, the amendment would allow bitches that are less than one year old to be mated only on the written advice of a vet. We understand that the British Veterinary Association's stance on these matters is that the vet cannot give an opinion on suitability for breeding, as anything could happen after clinical examination, which might lead to litigation.

Amendment No. 14 deals with clause 2(2)(h), which requires that bitches do not give birth to puppies within 12 months of a previous litter

"except where a veterinary surgeon or . . . practitioner has given written advice that breeding would not be harmful".

The effect of the amendment would be to remove the exception whereby, on veterinary advice, bitches can give birth within less than 12 months of a previous litter.

I understand that the British Veterinary Association strongly supports the amendment, on the grounds that the vet cannot give an opinion on suitability for breeding. The BVA considers that anything could happen after the clinical examination, and that that might lead to litigation. I therefore believe that amendment No. 14 is reasonable, and urge the House to accept it.

Amendment No. 15 would enable any prospective purchaser of a dog to inspect records kept by the breeding establishment. The purpose of the keeping of records by breeding establishments is to help local authorities and vets to verify that the licensing conditions are being met. Although some businesses may wish to disclose the records to their customers, they should not have an obligation to do so. Some information—for example, on turnover—may be commercially sensitive. Therefore, I do not believe that it would be appropriate to support amendment No. 15.

Mr. Maclean: I am grateful for the Minister's words. I am pleased that we are making good progress. It would make sense to pass amendment No. 14. In view of the Minister's assurances, I should be delighted if we voted on it.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment made: No. 14, in page 2, line 9, leave out from 'puppies' to 'and' in line 11.—*[Mr. Clappison.]*

Clause 4

IMPRISONMENT FOR KEEPING UNLICENSED ESTABLISHMENT ETC.

Mr. Maclean: I beg to move amendment No. 16, in page 3, line 1, leave out '4' and insert '5'.

Mr. Deputy Speaker: With this, it will be convenient to discuss the following amendments: No. 3, in clause 5, page 3, line 31, after 'person', insert 'within a specified timescale'.

No. 4, in page 3, line 33, after 'dog', insert 'and connected expenses'.

No. 20, in clause 9, page 7, line 46, leave out '4' and insert '5'.

No. 7, in page 8, line 21, after 'person', insert 'within a specified timescale'.

No. 8, in page 8, line 23, after 'dog', insert 'and connected expenses'.

No. 9, in page 8, line 23, leave out 'time to' and insert 'the'.

Mr. Maclean: I shall not speak to amendment No. 16 or the other amendments in the group, except to say that I should like to hear the views of the Minister and of my hon. Friend the Member for Hertsmere (Mr. Clappison) on amendment No. 9, which may be the most important in the group.

Mr. Clappison: Amendment No. 9 clarifies and improves the wording of the Bill. It strengthens the penalties imposed on those who fall foul of the law relating to breeding establishments. When a person is convicted of an offence in respect of a breeding establishment, the court may disqualify him from having custody of a dog. That person may be required to relinquish custody of the dog and to pay its care charges while permanent arrangements are made for it. The amendment clarifies the wording regarding the charges and makes the position much more plain.

Mr. George Howarth: Amendments Nos. 16 and 20 would increase the maximum level of fine for the offence of keeping an unlicensed dog breeding establishment from level 4, which is £2,500, to level 5, which is £5,000. I believe that that is a disproportionate increase, and I hope that the right hon. Member for Penrith and The Border (Mr. Maclean) will agree.

Amendment Nos. 3 and 7 relate to clause 5(1), which provides for the court to disqualify an offender from having custody of any dog of a description specified in the court order. As an order may require any person who has custody of a dog to deliver it to a specified person, the effect of the amendments would be to allow the court to specify a time scale for delivering the dog. A court expects its orders to be complied with, so it should not be necessary to state a specific time scale in each case.

Amendments Nos. 4 and 8 refer to clause 5(3) and provide that, when a court orders a person who has custody of a dog to deliver it up, it may also require the offender to pay for the care of the dog until permanent arrangements are made for that care. The amendments would require the offender to meet connected expenses, but we believe that the offender should pay only for the care of the dog.

Amendment No. 9 is a technical amendment arising from a typographical error, which I am sure the right hon. Gentleman will be delighted to hear we wish to correct. I therefore recommend that the House accepts amendment No. 9.

Mr. Maclean: We are making excellent progress, and I am glad that I have been able to amend the Bill considerably. I am delighted that the Minister has accepted amendment No. 9.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 9

PENALTIES

Amendment made: No. 9, in page 8, line 23, leave out 'time to' and insert 'the'.—*[Mr. Maclean.]*

Order for Third Reading read.

2.8 pm

Mr. Clappison: I beg to move, That the Bill be now read the Third time.

The Bill's primary aim is to improve the welfare of dogs and puppies kept in commercial breeding establishments. It strengthens the existing law and closes some loopholes. I believe that it will make a material difference to the welfare of bitches and puppies in breeding establishments, particularly in some large establishments. Many large breeding establishments keep dogs in satisfactory and reasonable conditions, but some do not. The Bill will tackle that latter group. Breeders will be subject to stronger and tighter legislation, better inspections with animal welfare at their heart and several important considerations regarding the welfare of bitches and puppies. Those measures, which will be enforced through an inspection regime, will address the particular problems of overbreeding and breeding too young.

As my right hon. Friend the Member for Penrith and The Border (Mr. Maclean) said, the Bill is the result of patient, hard and careful work by a number of people and organisations. I have paid tribute already to the 11 that have been involved in bringing forward the Bill. I pay a warm and sincere tribute to the outstanding work carried out by Baroness Wharton in support of the Bill and in support of animal welfare generally. Tribute should also be paid to Barry Huckle of the Pet Care Trust, who gave us much support and a large amount of his time in supporting the Bill.

I thank those who sponsored and supported the Bill. I thank especially my hon. Friends the Members for North Thanet (Mr. Gale) and for East Worthing and Shoreham (Mr. Loughton), and the hon. Member for Basildon (Angela Smith), who has taken a significant interest in the Bill as chairman of the all-party animal welfare group. I should mention also the hon. Member for Weaver Vale (Mr. Hall), who in many respects pioneered the way for the Bill with a similar piece of legislation last year.

There are many dog owners and pet lovers in the House, and I know that there is widespread all-party support for the aims of the Bill. It is my sincere hope that the Bill will make a material difference by enabling us to tackle the problems that cause concern to so many members of the public, including the unfortunate people who have the experience of buying puppies that are unhealthy or suffering from congenital defects. It will help to do away with the terrible conditions in which puppies are sometimes kept in the sort of breeding establishments to which I have referred. These problems rightly cause concern to members of the public, and I hope that through the Bill we will be able to address them by tackling the abuses, bringing to an end the suffering of animals in the establishments that cause concern, promoting the welfare of bitches and puppies and doing our bit as a dog-loving nation.

2.12 pm

Mr. Harry Cohen (Leyton and Wanstead): I shall keep my remarks relatively short. I am a supporter of the Bill, and I want to see it make progress.

I pay tribute to all those to whom the hon. Member for Hertsmere (Mr. Clappison) referred and to him for steering the Bill through the House. He has done a very good job. The Bill is an improvement on the Breeding of Dogs Act 1973 in a number of respects. For example, it will stop overbreeding and under-age breeding. It will provide for better inspection and increased veterinary powers. It will require more accurate records to be kept, along with compulsory identification for traded dogs. It will introduce new rules for the sale of dogs at pet shops and through dealers, and there will be new penalties for misrepresentation. All these things are very welcome.

There has been a call for such legislation. In 1996, the all-party parliamentary group for animal welfare referred to the reasons for concern. It said:

"The large scale breeding and sale of dogs for commercial purposes causes a number of welfare concerns; puppies are often taken from their mothers too early; dogs are kept in cramped or unsuitable conditions; bitches are bred too often, making them more likely to produce unfit puppies with health problems; dogs are often given insufficient exercise or human contact and the long distance transportation of puppies can cause health problems."

It is crucial that there is a much better staffing ratio. The RSPCA found one elderly woman looking after 120 dogs. Puppies need human contact at a crucial stage in their development; otherwise they are likely to be untamed. That is cruel because they become unmanageable and have to be put down.

I am pleased about the provision to limit the number of litters per bitch to six. There will be records kept on that. The offspring of litters after the sixth are likely to be sickly, and the bitch will be likely to suffer ill health. It is cruel for both the puppies and the bitch. There will be a cost to the purchaser in the form of high vet bills. Unfortunately, there might be a tendency to put the bitch down after the sixth litter. I hope that that will not be the case and that efforts will be made to find homes for them. Nevertheless, the Bill's provisions in this respect are certainly better than current ones.

I have four other concerns. First, in a previous Parliament, the former Liberal Democrat Member, Diana Maddock, when promoting a similar Bill, claimed that some owners, to avoid inspection, took puppies into their own homes. I do not think that this Bill will deal with that problem. Although we all respect the need to protect civil liberties, we should give a little more power to inspectors in order to close that loophole.

My second concern relates to the selling of puppies at market stalls, in the street or at auction. I shall not deal with the comments of the RSPCA working group on the problem, except to say that it identified a problem with the definition of "a business". If people only occasionally make such sales, they are not considered to be operating a business and are, therefore, not caught by current legislation. The Bill does not seem to deal with the matter, which therefore requires further consideration.

Thirdly, the point has rightly been made that all puppies should have a microchip implant. I strongly agree with that. We are perhaps moving towards requiring all pets to have implants. If so, I favour it. The Home Office should consider phasing in such a policy.

Finally, as I have argued in the past, there is a case for giving RSPCA inspectors policing powers. Although local authorities have a role in monitoring and enforcement, some of them may be interested only in licence fees. The RSPCA is already playing an important role in dealing with animal cruelty, and its inspectors should have policing powers in fulfilling that role.

I support the Bill—on which I congratulate the hon. Member for Hertsmere.

2.17 pm

Mr. Heald: I congratulate my hon. Friend the Member for Hertsmere (Mr. Clappison) on the way in which he has conducted the Bill's passage. The Bill rights a wrong, will improve the welfare of dogs, and is supported by the Opposition.

Mr. David Heath (Somerton and Frome): The Bill has all-party support—that of Liberal Democrat Members included—and I join the hon. Gentleman in congratulating the hon. Member for Hertsmere (Mr. Clappison) on piloting it this far.

Mr. Heald: I commend the way in which my hon. Friend the Member for Hertsmere has built his coalition and so successfully pushed through the Bill, which I should certainly commend to the House.

2.18 pm

Mr. George Howarth: I join the hon. Member for Hertsmere (Mr. Clappison) in paying tribute to some of the people and organisations who are behind the Bill and have supported him so well—especially Baroness Wharton and Mr. Barry Huckle of the Pet Care Trust. The hon. Gentleman himself had good fortune in drawing such a high place in the ballot, and I congratulate him on steering the Bill through to Third Reading without losing any support.

We should perhaps not forget the ever-present right hon. Member for Penrith and The Border (Mr. Maclean), whose amendments, on this occasion, have improved the Bill.

It would be quite wrong not to mention my hon. Friend the Member for Weaver Vale (Mr. Hall), who, 12 months ago, steered his Breeding and Sale of Dogs Bill through to Third Reading, although it failed to become statute. Perhaps—in the prevailing spirit of co-operation—we shall not go back over that ground.

I should also mention the hon. Member for North Thanet (Mr. Gale), who has a long-standing interest in the subject and has long raised the issue. My hon. Friend the Member for Leyton and Wanstead (Mr. Cohen) made a characteristically kindly speech in which he raised some important issues. His speech was partly about the fact that some of those issues are not addressed in the Bill. I shall study his observations to see whether there are any arguments that should be given further consideration.

The Bill has enjoyed remarkable consensus in the House and has been a good job well done. If it completes all its stages in another place and finds its way on to the statute book, as I hope it will, we shall have a workable framework for the breeding of dogs, which must be good.

2.20 pm

Mr. Maclean: I am delighted to add my support to the Bill and wish it well in another place, whence it will go in a few minutes. I am grateful for the Minister's kind observation that my contributions today have helped to make it a better Bill. My contributions last year also helped to make a better Bill, because I single-handedly wrecked a Bill with a similar name. That understandably brought about a certain amount of correspondence. I am pleased that my hon. Friend the Member for Hertsmere (Mr. Clappison) has taken the measure up this year and, working with the co-operation of 11 groups, has helped to ensure a better Bill with more consensus. Consensus is not necessarily a good thing in itself, but on this occasion it is the only way to ensure a workable measure.

I blocked last year's measure because there were some flaws in it. It got through the House without a Second Reading debate and was going to be bounced through on the nod with no scrutiny on Report. I thought it wrong that such a contentious measure should be dealt with in that way with no discussion on the Floor of the House.

After I blocked the Bill I was contacted by the Pet Care Trust, which said that it had concerns about the Bill but no one would listen. Justice for Dogs and the National Canine Defence League then both said that, although the Bill was better than existing legislation, they would like something better. The Kennel Club and the British Dog Breeders Council came along and said "Thank God someone blocked that Bill, because it was flawed." They wanted various other measures put in. Having met those groups, I was convinced that the Bill should not go ahead in that state, so I blocked it again on 3 July.

The tragedy at that time was that the RSPCA was behaving despicably on the Bill. It refused to talk to some of the other organisations, suggesting that it knew all about dogs and was the main charity, so it could deal with everything. Some of the other organisations—I shall not embarrass them by naming them and I would probably get it wrong because I cannot remember which they were—were adamant that the previous Bill had flaws because the RSPCA had adopted a highly possessive attitude and would not listen to sensible suggestions for amendment. The new Bill addresses those flaws.

The Blue Cross and the British Veterinary Association then came on board. One of the first decisions of the working group was that it required an independent chairman. I was delighted about that, because as the person who had blocked the previous Bill I would not be regarded on all sides as someone with an independent or neutral view. I also had no track record of knowledge on the subject and we needed someone knowledgeable and independent. Lady Wharton was unanimously suggested to chair the group. I pay tribute to the tremendous work that she has done on getting the Bill to the stage at which it is about to go to her Chamber for consideration.

When I ceased to have any involvement with the Bill there were seven groups involved. There are apparently now 11 in the coalition. It is a tribute to the noble Lady and to my hon. Friend the Member for Hertsmere that they have managed to keep on board 11 groups when coming up with this compromise measure. The fact that it is a compromise does not mean that the Bill is flawed or inadequate, but it inevitably cannot do everything that every organisation wanted. If it tried to it would be even more contradictory than some of the amendments for which I have been criticised.

The Bill represents a major step forward. It tightens up the conditions in puppy farms and quite rightly introduces the concept of welfare. It involves the veterinary profession and, importantly, an inspection regime.

I should declare that I am an honorary associate of the British Veterinary Association. That is not a paid post; it merely involves reading some of the tremendous amount of information on hip dysplasia and other problems.

I am happy to send the Bill on its way as it is a considerable improvement on the measure of a similar name that was before the House last year, and on the existing legislation. The Minister has given us some good assurances today. We have built some amendments into the Bill and I am delighted to have had a small part in those improvements. The assurances that the Minister gave the House when he listened kindly and courteously to my proposals in new clause 1 will result in better legislation and better implementation and operation of the legislation in due course. The Minister assured us that he would monitor carefully the licensing conditions contained in the Bill and how many applications were granted and refused. He gave the House an assurance that if he was aware that any parts of the licensing regime were going astray, he could deal with that by Home Office guidance.

I do not mind if my point about the licensing conditions is not addressed in another place as the legislation is good in itself, but congenital defects are one of the worst problems in the dog breeding world. Dogs get horrific illnesses not as a result of accidents or because people have abused them or failed to take care of them, but because they have been bred with congenital defects and action has not been taken to stamp that out. If the Minister or his officials can consider using the provisions of the 1973 Act and the licensing conditions that can be imposed on local authorities, we will have taken a tremendous step forward.

It is a good Bill and I am delighted to offer it my support. Once again, my hon. Friend the Member for Hertsmere has piloted through a tricky and contentious measure. No doubt the hon. Member for Leyton and Wanstead (Mr. Cohen) is right to say that there are matters that it does not address. No Bill can cover everything, but at least this one deals with more problems than it leaves out and in that sense it deserves to leave the House with the full backing of all the parties in the House of Commons and I look forward to receiving it back from another place, if necessary improved a little more.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Control of Residential Hedgerows Bill

Order for Second Reading read.

2.28 pm

Mr. Jim Cunningham (Coventry, South): I beg to move, That the Bill be now read a Second time.

I am well aware that I have about two minutes to raise a complex subject. My intention is to nudge the Government into producing their own measure as hon. Members do not have sufficient resources to draft proper Bills.

The Bill relates to an issue on which, at first glance, people assume there are no major problems, but it can set neighbour against neighbour, lead to people's liberties being infringed and their health being affected, and often results in court cases.

Last week I met the Minister responsible, who assured me that the Government's proposals should be ready within a couple of weeks. He said that they had taken soundings from a number of organisations including Hedgeline. Individuals have also written to the Government about some of the problems caused by high trees and hedges. One disabled lady was scared to death to leave her home because a burglar had hidden in high trees. Some people are effectively in an invisible prison.

In view of the Government's assurances, I shall not press my Bill but wait to see what they do in the coming weeks. If they take no action, I shall seek to take the Bill further.

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed on Friday 23 July.

Remaining Private Members' Bills

HARE COURSING BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 21 May.

HEDGES (CONTROL) BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 14 May.

LICENSING (YOUNG PERSONS) BILL

Order read for resuming adjourned debate on Question [16 April], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 21 May.

AGE LIMITS ON HEALTH CARE BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 14 May.

HEALTH CARE AND ENERGY EFFICIENCY BILL

Order read for resuming adjourned debate on Question [23 April], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 14 May.

ACCESS TO ENVIRONMENTAL INFORMATION BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 14 May.

RECYCLING OF HOUSEHOLD WASTE BILL

Order for Second Reading read

Hon. Members: Object.

Second Reading deferred till Friday 23 July.

RESTRAINING AND PROTECTION ORDERS BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 11 June.

PLANNING APPEALS BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 14 May.

BUS FUEL DUTY (EXEMPTIONS) BILL

Order read for resuming adjourned debate on Question [12 March], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 14 May.

PUBLIC HOUSES NAMES BILL

Order for Second Reading read.

Hon. Members: Object.

Second Reading deferred till Friday 14 May.

Insolvency (Heritage plc)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Betts.]*

2.32 pm

Dr. Rudi Vis (Finchley and Golders Green): Unfortunately, I cannot be brief, so I shall try to be quick. I will also read out quite a bit of information, as I want the record to be entirely straight in its details of dates, times and names, of which there are a few. I was going to say also that I would not take interventions because I wanted to make sure that the record was full. However, that will not now be necessary.

The debate concerns the regulation of insolvency practitioners, with special reference to Heritage plc. The Government have promised repeatedly to help small businesses to survive and prosper, and I welcome that. However, there are contrasting interpretations of existing legislation. That is particularly the case when it comes to the excesses of the insolvency industry, as practised by the banks and their servants the insolvency practitioners.

Through the greed and questionable practices of those practitioners, operated with impunity, many small and medium-sized companies are needlessly closed; their directors—who frequently have put all their personal assets on the line—thrown out of work; and their families thrown on to the streets to become an extra burden on the taxpayer.

According to figures provided by the Independent Banking Advisory Service, if all banks followed the example set by the Royal Bank of Scotland and separated the roles of reporting accountants and receivers, 44,700 jobs a year would be saved. Meanwhile, the insolvency vultures continue to earn fat fees.

Lord Sudeley referred to the case of Heritage plc, Lloyds TSB and Grant Thornton in the Lords debate of 26 January 1999. Heritage plc was quoted on the London stock exchange. It operated in east London and Manchester, supplying major retailers in the United Kingdom with household articles. It employed more than 100 people, many of whom were disabled. The former chairman, Mr. Jeffrey Lampert, was my constituent until Lloyds TSB succeeded in evicting him and his family from their home.

The case perfectly reflects the unchecked excesses of the sharks to whom I have referred. Before coming to me, Mr. Lampert took the Heritage plc story to the Bank of England, which said, "This should be dealt with by the banking ombudsman." The ombudsman, hearing that the company's turnover was more than £1 million a year, said, "It's not for me, go back to the Bank of England," which then said, "Go to the FSA," which said, "It's not us; we don't consider individual cases. Go back to the Bank of England." The Bank of England had no further comment at that stage.

Mr. Lampert went to the London stock exchange, which referred him to the Department of Trade and Industry D2 prosecutions section, which concluded:

"taking account of the code for crown prosecution it is not in the public interest to instruct an officer to conduct an enquiry."

I am satisfied that the statutes are in place, but they are not being interpreted in a way that protects businesses and jobs from the excesses of the insolvency industry.

[Dr. Rudi Vis]

In December 1996, Mr. Lampert approached Peter Ellwood, currently Lloyds TSB group chief executive, and his approach proved similarly fruitless. Mr. Lampert has personally banked with Lloyds for more than 40 years—truly a case of "Your Life Your Bank", as the soft advertising campaign says. The facts about Lloyds TSB are different from the image that it seeks to create. I have statistics showing that the Independent Banking Advisory Service receives 36 times more complaints about Lloyds TSB's integrity, which is well defined, than about the Midland bank's.

Apart from the fact that Heritage plc was quoted on the London stock exchange, its case is reasonably typical. Heritage banked with Lloyds from its inception and the bank sponsored it onto the London stock exchange in July 1988. As a result of that flotation, as one would expect, Heritage embarked on a series of acquisitions, advised by the bank. Despite what the directors believed was a long, close and mutually trusting relationship, Lloyds TSB suddenly closed down Heritage plc. The only logical reason for that action, which did not emerge until two years later, was to conceal a sting operated with the aid of Lloyds TSB's co-conspirator, the insolvency section of the well-known firm of accountants, Grant Thornton.

As I said earlier, dates are important. Early in 1995, it emerged that Heritage's then financial director, George Raynor, had been acting in a dishonest way with his PAYE. It also emerged that Grant Thornton, where Raynor had personal friends, and which he had appointed as tax adviser to Heritage plc, was aware of the irregularities but had chosen not to tell Heritage. For that reason, and because of his failure to keep a proper sales ledger, Raynor was fired in June 1995. Grant Thornton was fired as tax adviser a little later, in August 1995. At that exact time, the bank began to insist on my constituent giving personal security.

In July 1995, the bank demanded an accountant's report and insisted on using Grant Thornton, despite Heritage's objections. Heritage directors were shown only a draft of that report, and were told that it was to be finalised after figures audited by KPMG were made available weeks later. In fact, the report was finalised by Grant Thornton only four days later. It misquoted the directors and contained damaging conclusions that were not shared with Heritage plc.

Even more sinister is the fact that three weeks later, on 10 August 1995, another concealed report was prepared, to which I shall return later. It contained the conclusion:

"the decision to support Heritage is now finely balanced".

The same day that the report was prepared, Mr. Lampert was told by Lloyds TSB how well the bank and Grant Thornton now believed Heritage was doing in overcoming the problems left by Raynor, and Mr. and Mrs. Lampert were encouraged to make an equity investment in the company—that is different from a loan—of £250,000, using money lent to them by Lloyds TSB and secured on their family home. If Mr. Lampert—or any of the other directors—had had sight of the August 1995 report, obviously he would not have agreed to the investment. Even as late as 1998, Lloyds TSB, through its solicitors Hammond Suddard, still denied the existence of the two concealed reports.

One year later, in June 1996, when Lloyds TSB's exposure had been reduced by about £500,000 and it had earned about £250,000 in interest and fees, Mr. Lampert received another immediate call for an additional £125,000 loan. He was unable to meet the bank's timetable—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman, but I hope that he can assure me that the matters with which he is dealing are now historic in a legal sense, and that no sub judice question arises from continuing proceedings.

Dr. Vis: Indeed. Thank you for that advice, Mr. Deputy Speaker.

Mr. Lampert could not meet the bank's timetable because he was abroad. Lloyds used the trick that is normal in such circumstances, returned three cheques on important suppliers, and thus changed the cash-flow problem into a cash-flow crisis.

The directors worked on a restructuring plan involving a firm of accountants, which undoubtedly would have insisted on seeing all the reports on the company. Heritage also engaged in merger talks with a supplier. Both those options were put to the bank, and both were rejected without explanation, over the heads of the entire board of Heritage plc.

Lloyds TSB insisted on appointing Grant Thornton as receivers. That was appalling, but it is within the law. It insisted on making an immediate demand on Heritage's overdraft, although the company was within every term of its complex facility letter. That, too, is within the law. The company had only two banking hours to meet that demand, although the bank knew from past experience that Heritage could borrow the money from its customers. To give only two banking hours is within the law, even when the company has a London stock exchange listing.

The restructuring proposal would have benefited all stakeholders by at least £600,000. Heritage, of course, also had several million pounds' worth of intangibles such as good will, the quotation and its tax losses, all of which were immediately lost. The restructuring proposal would have maintained most of the jobs, and the merger would have maintained all the value for all stakeholders as well as all the jobs.

Lloyds TSB does not appear to be subject to the current regulations, and amazingly, Grant Thornton accepted the receivership. It did so in order to hide its misdeeds as reporting accountant. Having previously been the company's tax adviser, Grant Thornton was conflicted from accepting the receivership. That conflict manifested itself when one of Raynor's personal friends, Brian Michael Moritz, a senior partner at Grant Thornton, represented his interests and opinions to the receivers. Even though Raynor was reported to the DTI for unfit conduct, it is arguable that a firm that was not conflicted would have made a more thorough investigation of sales ledger write-off following Raynor's stewardship—a process that Heritage had started before the receivership. In its evidence to the Institute of Chartered Accountants in England and Wales, Grant Thornton admitted not considering it necessary to inform its client, Heritage plc, that its financial director was committing an illegal act. It also withheld the misdeeds from the company's auditors.

Grant Thornton recorded its appointment at 10.30 am on 11 July 1996. Lloyds TSB later claimed that it was not appointed until after 3.24 pm that day. The timing is

crucial, because written confirmation of the merger proposals arrived at 12.20 pm that day. Grant Thornton refused to discuss the matter with Heritage plc directors or legal advisers. The proposal, as Grant Thornton well knew, was dependent on the maintenance of the stock exchange listing, which was lost once its appointment as receivers was announced. If it had waited until after receiving instructions, according to the bank's timing, that proposal could have been properly explored.

Grant Thornton misled the creditors about the restructuring proposal. It also ignored 1995 audited accounts in its meeting with London creditors, moving all of the write-off from Mr. Raynor's stewardship of the sales ledger to the year after he left. That concealed the substantial recovery of the company which everybody had worked so hard to achieve. The Manchester creditors were shown the truth about the recovery.

Initially, Grant Thornton claimed that the two missing reports were sent by courier to the company, but it could not prove that. Subsequently, it claimed that a draft of the second report was sent to Mr. Lampert's house on 9 August 1995, but could not prove it. Finally, Grant Thornton claimed that the report was faxed to his house that evening, but it could not prove it. Two days after the Court of Appeal hearing in November 1998 between Lloyds TSB and Mr. Lampert, Grant Thornton claimed in a letter to the Institute of Chartered Accountants in England and Wales that he must have seen the report because he invested as a result of its findings. That is peculiar, because until early 1998 Lloyds TSB solicitors claimed that the two concealed reports did not exist. That concealment is a clear breach of section 47 of the Financial Services Act 1986. It should concern the House that Grant Thornton believes that it can get away with such actions.

I am told that the Institute of Chartered Accountants in England and Wales has yet to censure insolvency practitioners employed by a major firm. Members of the insolvency industry, by having incestuous relationships with each other, can take advantage of any business that may experience a downturn. In the case of Heritage, that happened a year after the company had begun to recover. At the same time, insolvency practitioners can cover their own and each others' misdeeds. That cannot be right. Business people should not be encouraged to invest in themselves when the insolvency industry can grab that investment with impunity.

What progress has the Insolvency Service made in its review of the various complaints against Grant Thornton? Is my hon. Friend the Minister prepared to launch a thorough investigation into the receivership of Heritage plc? Does my hon. Friend the Minister intend to use his powers to bring charges under section 47 of the Financial Services Act 1986?

I have met Mr. Jeffrey Lampert several times, and have been on the phone to him a lot. I have been in contact with Lloyds TSB and all the parties that I have mentioned today, except the accountants. Mr. and Mrs. Lampert have been to hell and back. Despite that, Mr. Lampert remains jovial and gregarious, a man of great ability. He is an honest family man who will not give up this fight. I wish him and his family well and I will stand by them.

2.50 pm

The Minister for Competition and Consumer Affairs (Dr. Kim Howells): I congratulate my hon. Friend on securing this debate, and I have listened very carefully to his speech. He spoke with great passion and commitment on behalf of Mr. Lampert. I shall try to answer the three important questions with which he finished.

The regulation of insolvency practice and of insolvency practitioners has been a subject of interest to many in and out of the House. It is a great shame that no Opposition spokesman is here for the debate.

Mr. Deputy Speaker: Order. Madam Speaker has made it clear that Adjournment debates are personal debates, raised by an hon. Member and replied to by a Minister. They are nothing more than that.

Dr. Howells: Thank you, Mr. Deputy Speaker. I am chastened, although I am still interested in why there is no one here from the Opposition to hear the debate.

The case of Heritage plc to which my hon. Friend referred has been at the forefront of recent interest in this subject. I would like to say a few words about the regulation of insolvency practitioners as that lies at the heart of my hon. Friend's case. The Insolvency Act 1986 introduced a regulated profession. Under the Act, practitioners may be authorised by recognised professional bodies. Bodies are recognised for that purpose by the Secretary of State, and they include the principal accountancy bodies, the Insolvency Practitioners Association and the Law Societies in England and Wales and in Scotland.

Recognition is on the basis that the bodies have rules to ensure that practitioners have appropriate educational qualifications and experience. They must remain fit and proper to carry out the job. The bodies are responsible for regulation of the practitioners they authorise, but the Secretary of State has a residual licensing function. Officials at the Department of Trade and Industry's Insolvency Service are in close contact with the professional bodies as an essential part of the continuing development of the regulatory process.

In particular, officials visit the bodies to examine their procedures on authorisation, monitoring and handling of complaints. This is intended to be a review of procedures, not decisions in individual cases. The Secretary of State has no power to undertake such a review. Appropriate procedural recommendations are made where there appears to be scope for improvement. The bodies have responded positively to the recommendations, and procedures have been tightened and further controls introduced where necessary.

The Insolvency Service regulation working party recently published a report in which it found no evidence that regulation had been rendered less effective by its being administered by the professional bodies. I am inclined to believe that the working party was largely right on that.

Let me turn to the case of Heritage plc. Mr. Jeffrey Lampert, my hon. Friend's constituent and the former chairman and principal shareholder of the company, came to see officials in my Department's Insolvency Service in February 1998.

As my hon. Friend said, Mr. Lampert had concerns about the actions of Grant Thornton, two of whose partners had been appointed joint administrative receivers of Heritage plc and other companies in the Heritage group. Grant Thornton had previously undertaken financial appraisals of the group on the instructions of its bankers, Lloyds.

[Dr. Howells]

Officials explained to Mr. Lampert that the receivers were authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. His complaints were, therefore, a matter for the institute in the first instance. With his agreement, an outline of Mr. Lampert's complaint and a supporting bundle of papers were forwarded to the ICAEW by my officials.

I do not think that I need to go into all of the details of Mr. Lampert's complaint—I certainly do not have time to do so. Suffice it to say that his concerns included a possible conflict of interest on the part of the receivers and an alleged failure to provide copies of reports to the board of directors. That is precisely the case that my hon. Friend made.

Mr. Lampert's complaint was considered by the ICAEW's investigation committee on 16 March. The committee decided that no prima facie case for disciplinary action had been made out. Mr. Lampert was dissatisfied with that outcome and contacted officials once more. They explained to him, as did the ICAEW, that it was open to him to ask for the committee's decision to be referred to the institute's independent reviewer of complaints. Mr. Lampert has not so far done so but that option, which is the next stage in the procedure, remains available to him.

In the interim, officials have met with representatives of the ICAEW and have looked at the institute's files on the case. This is in no sense a review of the committee's decision. As I said earlier, the Secretary of State has no power to review the decision of a professional body. However, officials examined the procedures and were satisfied that they were properly carried out. They also took the view that the decision reached by the committee was not an unreasonable decision.

Mr. Lampert also contacted the DTI on the separate issue of whether there had been an offence under section 47 of the Financial Services Act 1986. That relates to the alleged failure of Grant Thornton to provide copy reports to the board of directors of Heritage. My Department gave the matter careful consideration, but concluded that there was nothing in the allegation that should be pursued further.

I understand that Mr. Lampert has also been in touch with the Financial Services Authority about the actions of Lloyds bank and, no doubt, the FSA will be considering whether it should be taking any action. My hon. Friend made that case clear.

I have considerable sympathy for the position in which Mr. Lampert finds himself. He has provided Lloyds bank with very substantial personal guarantees. He has pursued his complaints with various agencies with great diligence. If, however, he wishes to pursue his complaint further against the receivers, his only option would appear to be to ask the institute to refer the matter to the reviewer of complaints. Certainly, I do not see that there is anything further that the DTI can do to help him in this respect.

I wish to raise one further issue. One of Mr. Lampert's areas of complaint is that the partners in Grant Thornton had a conflict of interest, as my hon. Friend clearly illustrated, when accepting appointment as administrative receivers. The possibility of such a conflict where the appointment follows an earlier appointment as investigating accountant has been the subject of previous concern.

The insolvency professional bodies have issued specific guidance to practitioners which, in effect, states that a practitioner will not normally be prevented from taking a subsequent appointment as receiver where the appointment as investigating accountant is by a creditor. However, the guidance also says that the propriety of a subsequent appointment as receiver may be called into question if the circumstances of the initial appointment as investigating accountant are such as to prevent open discussion of the financial affairs of the company with the directors.

Those and other issues concerning the relationship between banks and business customers have been addressed by the British Bankers Association in its March 1997 statement of principles. That statement seeks to show how banks intend to work together with businesses to get the relationship right from the outset and to help if businesses get into difficulties. My hon. Friend made the point that we must examine the rescue culture, and we are considering that carefully to save jobs and to save people from bankruptcy in such situations. The banks are reviewing their experience of nearly two years operation of the statement of principles.

The framework set out in the statement of principles should discourage any notion that the appointment of investigating accountants will inevitably lead to the appointment of that firm—or, indeed, any other firm—as administrative receivers. It is interesting to note that in a recent survey by the Society of Practitioners of Insolvency for the period 1996–97, practitioners reported that the overall business preservation rate for companies in rescue-oriented procedures—receiverships, administrations and company voluntary arrangements—was 59 per cent.

That does not mean that there is any room for complacency. The Government want as many companies as possible to be encouraged to overcome any short-term financial problems that they may experience. That needs to be kept under careful scrutiny. I am glad that my hon. Friend raised this case because it is an object for us to study. He made his case clearly and carefully. We will consider it closely.

Question put and agreed to.

Adjourned accordingly at one minute past Three o'clock.

Written Answers to Questions

Monday 26 April 1999

ATTORNEY-GENERAL

Departmental Legal Business

Mr. Dismore: To ask the Attorney-General if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81771]

The Solicitor-General: The Crown Prosecution Service, the Treasury Solicitor's Department, the Serious Fraud Office and the Legal Secretariat to the Law Officers predominantly use junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings

In civil cases, the two First Treasury Counsel are both junior counsel and they will advise and represent the Government without a Queen's Counsel in many of their important cases. In addition, the Attorney-General maintains four panels of junior counsel whom Departments are expected to use for the majority of the Government's civil litigation. The Attorney-General's approval, or mine, is required before a Queen's Counsel can be instructed to appear for any Department in civil litigation.

A panel of Senior Treasury Counsel and Junior Treasury Counsel, who are all junior counsel, exists in London to provide advice in more significant criminal case work, and to handle the most serious and complex work at the Central Criminal Court. More generally, the Crown Prosecution Service maintains circuit-based lists of junior counsel to conduct almost all its criminal case work in the Crown Court in England and Wales. Outside London, Queen's Counsel are instructed in all contested murder cases, and occasionally in other very serious or complex case work prosecuted by the Crown Prosecution Service.

Given the complexity and seriousness of its cases, the Serious Fraud Office usually instructs Queen's Counsel to advise and conduct its prosecutions.

In determining the level of counsel to use, the Department will consider the individual circumstances of each case. It will take into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

However, records are not maintained in a form which would enable the number of occasions on which the Attorney-General's Department instructed Queen's Counsel in the last three years, and the cost of doing so, to be given without incurring disproportionate cost.

HOUSE OF COMMONS

Line of Route

Mrs. Gordon: To ask the Chairman of the Administration Committee when she expects the Committee's proposals for re-opening the Line of Route during the Summer Adjournment to be made available to the House. [81905]

Mrs. Roe: I am pleased to advise the hon. Lady that the First Report from the Administration Committee, "Proposal to re-open the Line of Route during the Summer Adjournment", which details the Committee's findings and recommendations on this matter, was published by the Stationery Office at 3.30 pm today. The Report, HC(1998–99) 394 is available to hon. Members from the Vote Office; in view of her interest in this matter, I have arranged for a copy to be sent to the hon. Lady.

Early-day Motions

Mr. Jenkin: To ask the President of the Council how many early-day motions have been debated since 1 May 1997. [81386]

Mrs. Beckett: The information is set out below:

EDM number and title	*Date debated*
Session 1997–98	
590 Food (S.I., 1997, No. 2959)	10 February 1998
1661 Terms and Conditions of Employment (S.I., 1998, No. 1833)	27 October 1998
1729 Income Tax (S.I., 1998, No. 1869)	10 November 1998
Session 1998–99	
56 Pensioners and Dividend Tax Credits	18 January 1999
362 Income Tax (S.I., 1998, No. 3175)	1 March 1999

SCOTLAND

Consultations (Postal Costs)

Mr. Keetch: To ask the Secretary of State for Scotland if he will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if he will make a statement. [80917]

Mr. Dewar *[holding answer 22 April 1999]:* Policy on the payment of grants to voluntary organisations will, from 1 July 1999, be a matter for the Scottish Parliament.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Railtrack

Mr. Corbyn: To ask the Secretary of State for the Environment, Transport and the Regions what estimate he has made of the cost of the development plan produced by Railtrack to public funds; and if he will make a statement. [81973]

Dr. Reid: Railtrack's 1999 Network Management Statement, published on 25 March, announced their plans for investment in the network totalling some £27 billion over the next ten years. That figure includes some £11 billion of investment on enhancements to the network. Not all of that £11 billion is Railtrack money: it includes proposed Government and other third-party funded schemes. Some £6 billion of it is shown as being either new "partnership" schemes or new "contractor" schemes, both of which would appear to involve at least some public sector funding, but no breakdown of funding sources is given.

Urban Trees

Mr. Laurence Robertson: To ask the Secretary of State for the Environment, Transport and the Regions what is his Department's policy towards planting and protecting urban trees; and if he will make a statement. [82044]

Mr. Meale: My Department encourages local authorities to develop long-term strategies to promote the planting, maintenance, conservation and replacement of all trees in their areas.

Local authorities have powers to protect selected trees and woodlands under the tree preservation order system. Our proposals for reforming that system were set out in a consultation paper issued last July.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for the Environment, Transport and the Regions (1) how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society; [81201]

(2) how many staff who have worked as professional statisticians in his Department and its predecessors have left on early retirement in each of the past 10 years. [81181]

Mr. Prescott: Statistical work is undertaken by a range of specialisms such as Research Officers, Social Survey Officers and Economists. Within this Department there are 6 Senior Civil Servants, 1 Grade 6 Statistician, 37 Grade 7 Statisticians, 13 Assistant Statisticians employed as "professional" Statisticians, all of whom have been recruited via CSSB. In addition our Department employs 4 Statistical Officers.

The number of "professional statisticians" who have left on early retirement in the last ten years is 6.

Vessel Registration

Mr. Mitchell: To ask the Secretary of State for the Environment, Transport and the Regions in each of the last five years, what proportion of vessels travelling coastwise between ports and harbours in the United Kingdom were *(a)* registered in the United Kingdom, *(b)* registered in member states of the (i) European Community and (ii) European Economic Area and *(c)* registered under flags of convenience; and what weight of cargo was so carried. [81429]

Ms Glenda Jackson: Information is not available in the form requested. However, Table 2.15 of *Waterborne Freight in the United Kingdom 1996*, and a similar table in earlier issues of this annual publication, which are all available in the Library, contains information on the flag shares of vessels engaged in the United Kingdom's coastwise traffic in terms of tonnes lifted and tonne-kilometres moved. The tonnages of coastwise cargo carried by UK registered vessels and by all vessels for years 1993 to 1997 are as follows:

million tonnes

	Coastwise cargo carried by UK registered vessels	*Total coastwise cargo*
1993	20.8	60.2
1994	19.5	61.2
1995	18.7	67.7
1996	17.3	70.9
1997	not available	71.1

Mr. Mitchell: To ask the Secretary of State for the Environment, Transport and the Regions what proportion of cargo vessels, not carrying passengers, travelled between members states of *(a)* the European Economic Area and *(b)* the European Union in each of the last five years which were not registered in one of the members states; and what (i) formal and (ii) informal agreements exist between those states prohibiting use of their (1) ports and (2) harbours by vessels registered under flags of convenience with inferior safety standards to those set by the member states. [81435]

Ms Glenda Jackson: Data on cargo vessel movements between member states of the European Economic area and the European Union are not held by the Department, and no formal or informal agreements exist between those states that prohibit the use of their ports and harbours by vessels registered under flags of convenience.

Ships flying flags with poor safety records in the European port state control region (as measured by an above average detention rate) are targeted for inspection by the UK and its European partners. Individual ships can be banned if they fail to comply with release conditions following detention or if they do not carry certification required under the International Safety Management Code.

DEFENCE

CR Gas

Mr. Matthew Taylor: To ask the Secretary of State for Defence, pursuant to his answer of 8 March 1999, *Official Report*, column *38*, on CR gas, when the prescribed rules of engagement of the use of CR gas by the armed forces were formulated. [80828]

Mr. Doug Henderson: Rules of engagement are considered and approved for specific operations. Their formulation varies according to the particular circumstances of an operation. The precise rules of engagement that govern the use of CR gas are thus approved on each occasion that its use is authorised. Rules of engagement for the use of CR are consistent with the provisions of the Chemical Weapons Convention, which explicitly permits the use of toxic chemicals for law enforcement purposes.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Defence how many staff who have worked as professional statisticians in his Department have left on early retirement in each of the past 10 years. [81189]

Mr. Spellar: Early retirement for professional statisticians from the Ministry of Defence in the last 10 years has been as follows:

1989: 0

1990: 0

1991: 0

1992: 0

1993: 1

1994: 1

1995: 2

1996: 0

1997: 0

1998: 0.

There have been no early retirements in 1999. The early retirement figures include those professional statisticians who retired early on medical grounds.

Mr. Menzies Campbell: To ask the Secretary of State for Defence how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81194]

Mr. Spellar: The Ministry of Defence employs a total of 20 professional statisticians in the following grades:

Senior Civil Service: 4

Grade 6: 2

Grade 7: 12

Assistant Statistician: 2.

All were accepted as fast streamers by the Civil Service Selection Board.

Two of the four in the Senior Civil Service, including the Chief Executive of the Defence Analytical Statistical Agency, have been granted chartered statistician status by the Royal Statistical Society. Four other statisticians are Fellows of the Royal Statistical Society.

Notes

1. The definition of professional statisticians used to produce the figures is those staff who were recruited through the fast stream to the Statistician Group. These figures include professional statisticians who may currently be working in administrative posts.

2. These figures do not include any staff not in post, on career breaks secondment etc.

3. It is increasingly difficult to define what is a professional statistician. Departments recruit survey experts, research officers, social survey officers and others whose work has an input to Statistical work.

Defence Estates Organisation

Mr. Hancock: To ask the Secretary of State for Defence for what reasons the Defence Estates Organisation was relaunched on 29 March. [81630]

Mr. Spellar: The Strategic Defence Review considered how it might improve the management of the defence estate. The review made a number of important recommendations over the Defence Estate Organisation's role. These were that the Chief Executive be made accountable to Ministers, for working with users to ensure the defence estate is managed efficiently and effectively as a whole to support the delivery of defence capability; that DEO should assume responsibility for all aspects of the disposal of surplus property programme and that the DEO should develop proposals for a new model for construction and procurement.

This places an increased burden, and a greatly enhanced role, on an organisation created in 1995 and launched as an Agency in April 1997. Following a fundamental review, in which I have been closely involved, major changes are taking place in DE to enable it to take on these new tasks, placing it at the centre of my Department's estate management matters. Most significantly, the Agency will play a key role in carrying forward the Deputy Prime Minister's rethinking construction initiative, in which the MOD will play a major part.

The programme I have endorsed will bring out major process changes that will focus the Agency on the services that it delivers to customers elsewhere in the MOD, in the process setting the Agency challenging objectives and outputs. This will provide the necessary impetus for initiatives on estate management to be developed and implemented across the MOD, with enhanced value for money from the Department's substantial investment in its estate, as a primary goal. Savings will undoubtedly accrue from this process, but at this early stage it would be imprudent to set a figure upon achievable levels. This will become more apparent as DE leads MOD through this transition period and will be reported to Parliament, year by year, as a series of targets and achievements.

We attach great importance to sending out a strong message to the MOD, the industry and others across Government, and outside, that the nature of the Agency has changed. To this end it was believed appropriate to

mark this evolution by relaunching as Defence Estates, supported by a new Framework Document and Corporate Plan.

Yugoslavia

Mr. Maclean: To ask the Secretary of State for Defence what measures he is taking to prioritise the targeting of Serbian units engaged in war crimes over other Yugoslav National Army units; and if he will make a statement on the prospects for a policy distinguishing between the two. [81453]

Mr. George Robertson: It is for the Chief Prosecutor of the International Criminal Tribunal for the Former Yugoslavia in The Hague to seek indictments against individuals she believes have been responsible for serious violations of international humanitarian law during the Kosovo crisis. NATO's military campaign is explicitly designed to damage and disrupt the capability of the government in Belgrade to carry out repressive operations in Kosovo. Yugoslav decision-makers and commanders have been put on notice that their conduct is being scrutinised, and that information linking them to atrocities committed in Kosovo will be forwarded to the Tribunal.

Mr. Llew Smith: To ask the Secretary of State for Defence what assessment has been made of the environmental damage done to *(a)* Serbia, *(b)* Montenegro and *(c)* Kosovo as a result of the bombing conducted by NATO forces; and what assessment has been made of the environmental destruction perpetrated by Yugoslav forces. [81580]

Mr. George Robertson: Environmental considerations are taken fully into account when targeting decisions are made; and the United Kingdom will comply with its obligations under the First Geneva Protocol, including Article 55, which concerns the protection of the natural environment. It is not currently possible to undertake an assessment of the environmental impact of NATO air strikes or the actions of Yugoslav forces.

Mr. Llew Smith: To ask the Secretary of State for Defence what steps have been taken by NATO military planners to ensure no bombs hit the RA Research Nuclear Reactor at Vinca near Belgrade; and what quantities of *(a)* nuclear fuel and *(b)* radioactive waste are held at the Vinca site. [81581]

Mr. George Robertson: The need to avoid dangerous emissions from plants such as Vinca is taken fully into account in making decisions on targeting; and the UK will comply with its obligations under the First Geneva Protocol 1977.

Questions about the quantity of fuel and waste at Vinca are a matter for the International Atomic Energy Agency (IAEA).

Mr. Llew Smith: To ask the Secretary of State for Defence if he will place in the Library copies of *(a)* his daily press briefing in London, *(b)* the daily battle damage assessment and *(c)* the daily NATO briefing in Brussels in respect of the military action against Yugoslavia, (i) for each day since the action began and (ii) for each day until the military conflict ends. [81570]

Mr. George Robertson: Copies of my daily press briefing, which includes declassified information on battle damage, will be placed in the Library of the House as requested. The daily NATO briefing from Brussels is available on the internet at http\\www.nato.int\kosovo\speeches.htm.

Mr. Dalyell: To ask the Secretary of State for Defence how many free-fall bombs have been dropped on Yugoslavia in the last month; and what assessment he has made of the reliability of tail-fin guided direction. [81971]

Mr. George Robertson: A total of 242 unguided bombs have been dropped by British aircraft in support of Operation Allied Force up to 22 April. They are assessed to have performed reliably and within design specifications.

NATO Headquarters

Mr. Key: To ask the Secretary of State for Defence if he will list the locations of the following NATO headquarters *(a)* Headquarters Allied Forces North Western Europe, *(b)* Headquarters Allied Forces Air North Western Europe, *(c)* Headquarters Allied Naval Forces North Western Europe, *(d)* Headquarters Maritime Air Forces North West, *(e)* Headquarters Submarine Forces North West, *(f)* Headquarters Allied Forces Eastern Atlantic Area, *(g)* Headquarters Maritime Air Forces Eastern Atlantic Area, *(h)* Headquarters Submarine Forces Eastern Atlantic Area, *(i)* Headquarters United Kingdom-Netherlands Amphibious Force, *(j)* Headquarters United Kingdom-Netherlands Landing Force, *(k)* the NATO Airborne Early Warning Force Headquarters and *(l)* the NATO E-3A Component. [81926]

Mr. Doug Henderson *[holding answer 23 April 1999]:*

(a) and *(b)* High Wycombe, United Kingdom

(c) to *(h)* Northwood, United Kingdom

(i) and *(j)* Plymouth, United kingdom

(k) Mons, Belgium

(l) Geilenkirchen, Germany.

Gulf War Veterans

Mr. Gareth R. Thomas: To ask the Secretary of State for Defence when he expects the external audit of the Gulf Veterans' Medical Assessment Programme to be completed; and if he intends to publish the audit report. [82471]

Mr. Doug Henderson: My Department has now received the final report of the audit of the Gulf Veterans' Medical Assessment Programme (MAP) undertaken by the King's Fund Health Quality Service. I am pleased to report that the auditors were impressed with the organisation of the Medical Assessment Programme and the enthusiasm and commitment of the staff to the provision of a high-quality service. Nevertheless, the auditors also made a number of specific recommendations for improving the service and, because of the importance which we attach to the MAP, these have been accepted in full and work has already begun to implement them. The process of implementation is expected to be completed by November of this year. A copy of the report will be placed in the Library of the House and it will also be published on the Ministry of Defence Gulf Veterans' Illnesses website.

Basra (Bombing)

Mr. Dalyell: To ask the Secretary of State for Defence (1) what assessment he has made of *(a)* the damage inflicted on the Basra Pumping Station and *(b)* the effect it has had on the pumping station; [81932]

(2) what the purpose was of dropping the bombs which fell on date palm trees in Abu Al-Kasib, south of Basra; and what military installation was intended as the target of the bombs. [81933]

Mr. George Robertson: UK aircraft have not been involved in any attack on a Basra pumping station. I am not aware of any bombs falling on palm trees in Abu Al-Kasib.

Iraq

Mr. Mackinlay: To ask the Secretary of State for Defence if he will make a statement on the military situation in relation to Iraq since 24 March, with particular reference to the allies' capability in the region of Iraq and Iraqi military action. [82030]

Mr. George Robertson: We remain fully committed to our policy of containing the threat posed by Iraq. We are continuing to enforce the Iraqi no-fly zones and maintain an appropriate military capability to ensure that Saddam Hussein does not rebuild his WMD capability or otherwise threaten his neighbours. Our naval forces continue to participate in multi-national efforts to enforce sanctions. We will continue to take appropriate defensive measures against Iraqi threats to coalition forces.

Atomic Weapons Establishment Sites

Mr. Matthew Taylor: To ask the Secretary of State for Defence what progress has been made in selecting the contractor to manage the Atomic Weapons Establishment sites from April 2000; and what is the timetable for selecting the contractor. [80825]

Mr. Spellar: This is a matter for the Chief Executive of the Defence Procurement Agency. I have asked the Chief Executive to write to the hon. Member.

Letter from Sir Robert Walmsley to Mr. Matthew Taylor, dated 26 April 1999:

I am replying to your question to the Secretary of State for Defence about the progress that has been made in selecting the contractor to manage the Atomic Weapons Establishment sites from April 2000, and the timetable for selecting the contractor. This matter falls within my area of responsibility as Chief of Defence Procurement and Chief Executive of the Defence Procurement Agency.

As you may be aware, the Atomic Weapons Establishment is a Government Owned, Contractor Operated facility—a "GOCO". The present operator is Hunting-BRAE Ltd. whose 7 year Term Contract started on 1 April 1993. A further competition for the management and operation of the Atomic Weapons Establishment from 1 April 2000 is underway and progressing to schedule.

Initial interest has now consolidated into three consortia. A bidders' conference was held on 19 October 1998, and a Request for Quotations was issued on 30 November. Responses are due in by 1 June 1999 and we aim to award a contract by the end of November 1999, thereby providing a four month lead-in for the new operating contractor.

Departmental Contractors

Mr. Hancock: To ask the Secretary of State for Defence what requirements he places on *(a)* contractors and *(b)* sub-contractors regarding ISO 9002 certificates. [81642]

Mr. Spellar: The requirement for Quality Management System certification is dependent on the nature of the contractual requirement. Where the requirement is for a product or service of a non-technical nature, and acceptability can be confirmed by a non-technical customer on receipt, no certification is required as a condition of contract. In all other cases, the Department's policy is to award contracts only to suppliers whose Quality Management System aligns with the appropriate ISO 9000 series standard. Prime contractors are responsible for the selection and management of sub-contractors.

Mr. Hancock: To ask the Secretary of State for Defence how many contractors currently employed by his Department do not have ISO 9002 certification. [81643]

Mr. Spellar: This information is not held centrally and could be provided only at a disproportionate cost.

Kosovo

Mr. Keetch: To ask the Secretary of State for Defence if he will list the units of British armed forces deployed around the former Yugoslavia; and if he will make a statement. [80927]

Mr. George Robertson: The following units, or elements thereof, are currently deployed around the former Yugoslavia:

Royal Navy

HMS Invincible
HMS Newcastle
HMS Iron Duke
HMS Grafton
HMS Splendid
RFA Fort Austin
RFA Fort Grange
845 NAS

Army (in Bosnia/Croatia)

Headquarters 1 Mechanised Brigade
Queen's Royal Lancers
1st Battalion Worcestershire and Sherwood Foresters Regiment
Light Dragoons
Gurkha Coy 2 Para
3rd Regiment Royal Horse Artillery
21st Regiment Royal Engineers
215 Signal Squadron
669 Squadron Army Air Corps
10th Transport Regiment Royal Logistic Corps
4th Field Ambulance
5th Battalion Royal Electrical and Mechanical Engineers
Royal Military Police
34 Field Hospital
21 Sig. Regt.
30 Sig. Regt.

Army (in Macedonia/Greece)
Headquarters Allied Rapid Reaction Force
1st Signals Brigade
16th Signals Regiment
2 Signals Regiment
7 Signals Regiment
3rd Armoured Division Signals Regiment
30 Signals Regiment
14th Topographical Squadron Royal Engineers
659 Squadron Army Air Corps
Headquarters 4th Armoured Brigade
21st Regiment Royal Engineers
2nd Armoured Field Ambulance
King's Own Royal Border Regiment
King's Royal Hussars
4th Regiment Royal Artillery
Headquarters (UK) Combat Service Support Group
17 Port and Maritime Regiment
29th Regiment Royal Logistics Corps
28th Regiment Royal Engineers
27th Regiment Royal Logistics Corps
Royal Military Police
Irish Guards

Royal Air Force
12 Harrier GR7s from No. 1 Squadron
5 Chinook Helicopters from No. 7 Squadron
3 E3s from No. 8 Squadron
2 Puma Helicopters from No. 33 Squadron
1 Nimrod R from No. 51 Squadron
3 Tristars from No. 216 Squadron

In addition, although not deployed to the region, 8 Tornado GR1s and 3 VC10s are participating in NATO's air campaign, operating from their home bases of RAF Bruggen and RAF Brize Norton respectively.

PRIME MINISTER

Foreign Media (Articles)

Mr. Maclean: To ask the Prime Minister (1) if he will list the sources which enabled him to identify articles he had written for publication by the foreign media; and if he will make a statement on the means by which the use of these sources could be expanded; [81235]

(2) what is his estimate of the cost of keeping a record of articles written in his capacity as Prime Minister for publication by the foreign media; [81233]

(3) if he will estimate the man hours required by *(a)* his office and *(b)* the Foreign and Commonwealth Office (i) to write articles for placement in the foreign media and (ii) to place those articles; and if he will estimate the time required for future recording of those articles for reference purposes; [81228]

(4) if he will list those points in his office at which records of where authorship and distribution of articles produced by him for publication by the foreign media could be maintained. [81234]

Mr. Bercow: To ask the Prime Minister, pursuant to his answer to the right hon. Member for Penrith and The Border (Mr. Maclean) of 8 March 1999, *Official Report*, column *14*, for what reason it would not be practicable to make systematic arrangements to place in the Library copies of articles which he writes for publication in overseas journals and newspapers. [80181]

The Prime Minister: I refer the right hon. Member and the hon. Member to the answers I gave on 3 February 1999, *Official Report*, columns *642–43*; 26 February 1999, *Official Report*, column *474*; 8 March 1999, *Official Report*, column *14*; 22 March 1999, *Official Report*, column *8*; and 31 March 1999, *Official Report*, column *718*. It would involve disproportionate cost to identify, translate where necessary and record every such article that is published in the foreign media.

EU Joint Statements

Mr. Maclean: To ask the Prime Minister if the will make a statement on progress made at EU level on *(a)* the Joint British-German statement on EU taxation, *(b)* the Joint British-Swedish statement on social inclusion and opportunity in Europe and *(c)* the Joint Anglo-Spanish statement on employment; and for what reasons each country was selected as the partner for a joint statement in this field. [80046]

The Prime Minister: The Government seek actively to build alliances with other Member States on a range of issues under discussion in the EU. The European Defence initiative with France, and our joint statements with Germany on tax, Sweden on social inclusion and opportunity, and Spain on employment and economic reform are recent examples. This approach both deepens our bilateral relations with EU partners, and influences the wider EU debate.

EU Funding

Mr. Bercow: To ask the Prime Minister if he will list those areas for which EU funding has been reduced as a consequence of the Berlin Summit. [81042].

The Prime Minister: Berlin set ceilings for spending commitments on each main policy category for the period 2000–06. The ceiling for the existing EU for 2006 is nearly 7 per cent. lower in real terms than the EC Budget for 1999. For comparison, in 1992, an increase in spending of over 30 per cent. was agreed for the period to 1999.

Berlin Summit

Mr. Maclean: To ask the Prime Minister, pursuant to his answer of 31 March 1999, *Official Report*, columns *716–17*, if he will indicate those sections of his oral statement of 29 March 1999, *Official Report*, columns 732–47, which answered the questions tabled by *(a)* the right hon. Member for Penrith and the Border, *(b)* the hon. Member for Gordon (Mr. Bruce), and *(c)* the hon. Member for Christchurch (Mr. Chope), with regard to the EU budget negotiations at Berlin. [81385]

The Prime Minister: In my Statement to the House on 29 March 1999, *Official Report*, columns 732–33, I said:

"On the abatement, I am delighted to report that the presidency conclusions say in terms that the UK abatement will remain. In line with the 1988 and 1992 European Council conclusions, the UK accepted that we should not make a windfall gain out of changes to the method of EU financing . . . The result is that there will be no reduction in the United Kingdom's rebate."

In response to subsequent questions on the Statement, at column 746, I said:

"In respect of contributions, yes, as a result of our settlement, for the first time, although we will remain the second-largest net contributors, we will be closer to France and Italy than we have been at any time in the European Community."

And, at column 747:

"The 220 million figure is the windfall gain that we would have made if issues that are presently unabated were subject to abatement. In reaching agreement, we did precisely what was acceded to in 1988 and 1992. However, the difference with this Government is that we have not only kept the rebate intact so that there will be no reduction but managed to agree that there should be no increase in the own resources ceiling. That was something that the previous Conservative Government signally failed to do" [*Official Report*, 29 March 1999, Vol. 328, c. 732–33].

As is always the case following EU budgetary reform, the final effects on the UK's net contribution of the complex changes to the Common Agricultural Policy, the Structural Funds and the financial framework will of course depend on the completion of discussions with the European Parliament, and on the final decisions to be taken by the Commission about the details allocation of the Funds.

KPMG

Mr. Maclean: To ask the Prime Minister if he will list the contracts offered by the Government to KPMG since 1 May 1997. [81452]

The Prime Minister: Contracts for Government work are awarded within a policy and legal framework which requires the process to be fair and objective and deliver value for money. However, responsibility for any contract rests with the individual Department concerned. Information for the Government as a whole is therefore not held centrally. However, 14 Government Departments have made information available about KPMG contracts to the hon. Member for Bury St. Edmunds (Mr. Ruffley), and the hon. Member for North Essex (Mr. Jenkin) in previous written answers.

Kosovo

Mr. Maclean: To ask the Prime Minister what is his estimate of the total number of deaths of *(a)* Albanians due to war crimes and *(b)* combatants since NATO bombing began. [81654]

The Prime Minister: It is not possible to put a precise figure on the number of deaths sustained by the Kosovar Albanians as a result of President Milosevic's campaign of brutality, both before and after the NATO air campaign began. However, it is clear from eye witness accounts that these are likely to be considerable and a stain on humanity. We are of course providing relevant information on the brutality of Milosevic's forces to the International Criminal Tribunal for the Former Yugoslavia.

Mr. Maclean: To ask the Prime Minister what requests the Government have received for the systematic identification of specific Yugoslav units perpetrating war crimes. [81656]

The Prime Minister: The International Criminal Tribunal for the former Yugoslavia has asked the Government for any material they may have concerning, among other things, the role of individuals in atrocities committed in Kosovo, and concerning police or military units in areas where atrocities are being committed. The Government will hand over as much information as they can that will be relevant to the Tribunal's investigations.

Mr. Dalyell: To ask the Prime Minister what discussions on Kosovo he has had with *(a)* the Prime Minister of, and *(b)* other political figures in Greece. [82222]

The Prime Minister: Kosovo was discussed at the European Heads of Government meeting on 14 April. As a member of NATO, Greece is fully involved in consultation on all matters relating to the military action taken by the North Atlantic Council.

CULTURE, MEDIA AND SPORT

British Tourist Authority (Overseas Offices)

Mr. Peter Ainsworth: To ask the Secretary of State for Culture, Media and Sport how many awards have been won by the British Tourist Authority's overseas offices in the last 12 months; and if he will provide details in each case. [77998]

Janet Anderson *[holding answer 22 March 1999]:* The British Tourist Authority inform me that their overseas offices have won the following awards in the last 12 months:

USA

Convention Bureau Gold Service Award for "professionalism, dedication and service to the Meetings Industry"

Incentive Platinum Partners Award, for its incentive travel programme

Travel Holiday Insider Award and HSMAI, Golden Bell Public Relations Competition Bronze Award for its "Best Kept Travel Secrets of the Year" articles

Pewter Award Certificate in the National Gold Ink Competition for its "Jewels of Britain" brochure

Crystal Communicators Award for its "BTA/On Travel-Jewels" radio show

Australia

Australian Capital Territory Best Tourist Office

Western Australia Best Tourist Office

Communicator of the Year (Donna Wales)

Tasmania Best Tourism Office

Victoria Best Tourism Office

New South Wales Best Tourism Office

South Australia Best National or State Tourism Office

New Zealand

"Tabs on Travel" Best National Tourist Office

South Africa

Travel Trade Gazette Best Foreign Tourist Office

Association of South African Travel Agents (ASATA) Diners Club Award for the Best Tourist Office

Spain

AGENTRAVEL Best National Tourist Office

Netherlands

Best National Tourist Office

Silver Echo and Gold Mail Box Award from the Dutch Marketing Association (DMA) for its Dutch Direct Marketing Campaign

Sweden

Best National Tourist Office

Second Prize for "Best Tourist Brochure in Sweden" from the Swedish Travel Writers Association

Europe

Travel Trade Gazette Europa Silver Award (second place) Best National Tourist Office in Europe

and in addition to the above:

Britain

Voted Europe's Leading Tourist and Convention Bureau at the fifth Annual World Travel Awards

Enter award for Best National Tourist Board website

Best Use of Broadcast Campaign Commendation for its Rock and Pop Video News Release at the PR Week Awards

Ministerial Meetings

Mr. Matthew Taylor: To ask the Secretary of State for Culture, Media and Sport, pursuant to his answer of 22 March 1999, *Official Report*, columns *19–21*, how many times Ministers in his Department met their counterparts in the US Administration between 1 January 1998 and 1 June 1998, indicating the dates and locations of each meeting, the Ministers involved and the name of the US counterpart. [80822]

Mr. Chris Smith: Under the US political system, there are no exact counterparts for DCMS Ministers. However, between the period 1 January to 1 June 1998 neither myself nor any of my Ministers met the equivalents of their counterparts in the US administration.

Digital Television (East Lancashire)

Mr. Gordon Prentice: To ask the Secretary of State for Culture, Media and Sport when he expects all parts of east Lancashire to be able to receive digital terrestrial television. [81912]

Janet Anderson: Responsibility for the delivery of digital terrestrial television (DTT) services in the UK rests with the BBC and ITC. Under plans for the launch phase, which comprises 81 transmitter sites, the Commission predicts that DTT services will be available to 250,000 people from the Pendle Forest transmitter, which covers a large proportion of east Lancashire. In addition, the Winter Hill main transmitter, of which Pendle Forest is a relay, also provides a service into parts of the region.

INTERNATIONAL DEVELOPMENT

Kosovo

Mrs. Curtis-Thomas: To ask the Secretary of State for International Development what financial assistance the United Kingdom Government have provided to *(a)* Albania, *(b)* Macedonia and *(c)* Montenegro since 24 March. [82062]

Clare Short: Since 24 March, the British Government has allocated £20 million for the provision of humanitarian assistance for the refugees from Kosovo. This funding has been used to support the work of the United Nations, the Red Cross, and Non-Governmental Organisations. A detailed country-by-country breakdown of expenditure is not currently available—many of the programmes supported cover more than one country. We are currently considering, in concert with the International Financial Institutions and other key partners, the provision of broader macro-economic assistance to countries hosting the refugees. The EU has committed £100 million to Macedonia and Albania. The UK share of the EU commitment is approximately £15 million.

Mr. Streeter: To ask the Secretary of State for International Development what assessment she has made of the (i) need and (ii) estimated costs of providing water, electricity and sanitation to the refugee camps in *(a)* Albania and *(b)* Macedonia; and if she will make a statement. [82160]

Clare Short: We are not, of course, responsible for running the camps in Macedonia and Albania, but we obviously recognise the vital importance of providing adequate water, sanitation, electricity and other services to the refugee camps. Our military and civilian personnel have been actively involved in planning and establishing, and ensured adequate provision. Detailed information about the costs of providing these utilities is not currently available.

Mr. Streeter: To ask the Secretary of State for International Development how support for refugees in Macedonia and Albania is being co-ordinated amongst EU member states. [82157]

Clare Short: There have been meetings in Brussels, Geneva, and London, over the last three weeks, to co-ordinate international action to provide humanitarian assistance for the refugees. In particular, an extraordinary meeting of the EU Humanitarian Aid Committee was called to discuss Kosovo on 9 April.

Mr. Streeter: To ask the Secretary of State for International Development what plans she has to provide basic education for child refugees in Albania and Macedonia. [82158]

Clare Short: We are not, of course, running the refugee camps in Macedonia or Albania, but our programme of assistance for the refugees includes funding for education projects. We have, for example, contributed £300,000 to the Save the Children Fund appeal, which includes plans for non-formal educational activities in Macedonia and Albania.

Mrs. Curtis-Thomas: To ask the Secretary of State for International Development if she will list the countries which have received refugees as a result of the Kosovo crisis. [82064]

Clare Short: According to the Office of the United Nations High Commissioner for Refugees, the following countries or states have received refugees from Kosovo in recent weeks: Albania, Macedonia, Montenegro, Bosnia and Herzegovina, Turkey, France, Poland, Israel, Norway, Belgium, Croatia, Germany, Iceland, Switzerland and Austria. The UK has agreed to UNHCR's request to grant temporary protection to Kosovar refugees—the first group are expected to arrive in the UK on 25 April.

Mr. Streeter: To ask the Secretary of State for International Development if she will make a statement about the ways in which the £20 million of financial help from her Department for Kosovar refugees is being spent. [82161]

Clare Short: The UK has made a major contribution to trying to increase the effectiveness of the UN-lead on humanitarian effort. We are funding airlifts and the necessary logistical support to overcome the constraints on delivering international assistance to those in need. So far, we have funded 32 flights, a truck convoy in Albania, personnel, and aircraft handling equipment for Tirana and Skopje airports. Our offices in Tirana and Skopje are working with NATO and UNHCR to establish refugee centres in Albania and Macedonia. We are strengthening agency capacity through the provision of key personnel, and making cash grants to international agencies and NGOs.

Mr. Streeter: To ask the Secretary of State for International Development what assessment her Department has made of the medical needs of the refugees in Macedonia and Albania; and what provisions her Department has made to meet these needs. [82159]

Clare Short: We are in close touch with the World Health Organisation (WHO), who are taking the lead responsibility for the medical needs of the refugees. At present, the health status of refugees in both Macedonia and Albania is judged to be reasonably good, with no major epidemics, though recent arrivals have been in poorer condition as a result of spending several days on the road.

We have placed health experts in our offices in Tirana and Skopje. We are also providing a public health expert for WHO in Tirana. We have funded the purchase and transportation of 14 WHO emergency health kits to Macedonia, and seven kits for Albania—these will cover the needs of 210,000 people for 3 months.

Mr. Streeter: To ask the Secretary of State for International Development what plans she has prepared to maintain support for refugees in Macedonia and Albania over the next few months. [82156]

Clare Short: Our overriding aim is to enable the refugees to return to their homes as soon as possible. We recognise, however, that the refugees will require continuing support for some time to come, and are planning accordingly. We have established field offices in Tirana and Skopje, with experts in areas such as health and camp planning, to identify and respond to needs, both immediate and long term. We are strengthening the capacity of the humanitarian agencies themselves through secondment of expert personnel; and a DFID liaison officer is working with General Reith, the Commander of the British forces in Albania, to maximise the effectiveness of the humanitarian assistance they can provide. We have also begun, with the US, Germany, France and Italy, the planning for refugee returns to Kosovo.

Arms Exports

Dr. Tonge: To ask the Secretary of State for International Development how many arms export licence applications her Department *(a)* has examined and *(b)* advised against granting since September 1997; and how many arms export licence applications have been granted by the Department for Trade and Industry since September 1997 against the advice of her Department. [71055]

Clare Short *[holding answer 16 February 1999]:* Licences to export arms and other goods controlled for strategic reasons are issued by the Secretary of State for Trade and Industry. All relevant licence applications are circulated by DTI to other Departments with an interest. These include the Foreign and Commonwealth Office, the Ministry of Defence and, since August 1997, the Department for International Development. Since August 1997, DFID has been consulted on 2,609 individual licence applications circulated to DFID by DTI. I am advised that views expressed by my Department fall under the description of "internal discussion and advice", the disclosure of which would, in this case, harm the frankness and candour of internal discussion. The information is therefore being withheld on the basis of Exemption 2 of Part II of Code of Practice on Access to Government Information.

SOCIAL SECURITY

Consultations (Postal Costs)

Mr. Keetch: To ask the Secretary of State for Social Security if he will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if he will make a statement. [80919]

Mr. Timms: We have received numerous responses to our consultation documents and we are grateful to the many organisations and individuals who have taken the time to let us have their views. We have no plans to pay postal costs incurred by organisations who responded.

PRIME Contract

Mrs. Fyfe: To ask the Secretary of State for Social Security when the Accommodation and Office Services project authorised the PRIME contract in 1997; how many bidders were allowed, after the time limit had expired, to modify their bids; if the successful bidder's modified bid was significantly different from his original bid; and what assessment was made of the prospects for the successful bidder's first bid. [81602]

Angela Eagle: Accommodation and Office Services (AOS) consists of post opening and post dispatch, messenger services, stationery, typing, secretarial, reprographics, fleet administration, switchboard, and shuttle bus services.

These services, previously supplied to the Benefits Agency under 48 separate contracts and service level agreements, were tendered in eight large geographical lots. Invitations to tender for AOS were issued on 20 February 1998 to five bidders.

The deadline for bids was 20 March 1998 and five bids were received within this deadline. No bids were received or accepted outside this deadline. The bids were valid for a period of 90 days from date of receipt.

Owing to the complexity and range of the services, the evaluation of bids was not completed until after the 90-day period. This meant that bidders were able to reconsider their bids for specific, identified reasons. One bidder exercised their right to do so. Whilst all other bidders had the same opportunity, none did so.

There were two successful bidders for the services. Three lots were awarded to one bidder and two lots to the other; the remaining three lots were retained in-house on grounds of best value for money. Neither of the two successful bidders modified their bids.

It would not be proper to comment on the hypothetical status of a bid at any stage of the evaluation process other than the final decision.

Contracts

Mrs. Fyfe: To ask the Secretary of State for Social Security what steps he takes to ensure that contracts for work formerly carried out in the public sector are awarded fairly. [81603]

Angela Eagle: All Departmental Procurement is conducted under Government Procurement Policy guidelines and in accordance with the EC Public Procurement Directives (the Directives). The Directives were developed to ensure that: all potential tenderers get the opportunity to bid; there are clear and common evaluation criteria (the criteria); and the criteria are applied to all suppliers with impartiality.

Where the Directives apply, all contracts are advertised in the *Official Journal* of the European Community and the business is competitively tendered. Where the Directives do not apply, the rules of competitive tendering are nevertheless followed as this is recognised as best practice.

The criterion adopted for evaluation of tenders for Government business is "the most economically advantageous". This is decided upon using value for money criteria, incorporating quality, delivery and price criteria. Recommendations by evaluation panels for award of contract are subject to scrutiny, validation and audit by independent tender boards.

Benefit Integrity Project

Mr. Rendel: To ask the Secretary of State for Social Security what additional financial resources his Department has provided to the Independent Tribunal Service to handle the appeals resulting from the Benefit Integrity Project. [82020]

Angela Eagle: The Department has not provided any additional financial resources to the Independent Tribunal Service (ITS) specifically to handle appeals resulting from the Benefit Integrity Project. However, additional funding, both this year and in previous years, has been provided in-year on the basis of workload and performance trends, and to a level of maximum productivity in terms of ITS's ability to clear appeals.

Mr. Rendel: To ask the Secretary of State for Social Security what is the expected date by which all appeals arising from the Benefit Integrity Project will have been heard. [82024]

Angela Eagle: It is not possible for the Independent Tribunal Service (ITS) to give an expected date by which all appeals arising from the Benefit Integrity Project will have been heard, as these appeals are still being received by ITS. ITS is, however, committed to reducing the time which all appellants must wait for their appeals to be heard.

Mr. Rendel: To ask the Secretary of State for Social Security since the commencement of the Benefit Integrity Project, *(a)* how many people have requested an expedited appeal hearing on the grounds of hardship, *(b)* how many of these requests have been accepted by the Independent Tribunal Service and *(c)* what steps have been taken to inform people that they may request an expedited appeal hearing. [82023]

Angela Eagle: The information could be obtained only at disproportionate cost.

The Independent Tribunal Service does not routinely advise people that they may request an expedited appeal hearing but will consider any written requests received.

Mr. Rendel: To ask the Secretary of State for Social Security what proportion of appeals decisions made under the Benefit Integrity Project based on *(a)* postal questionnaires and *(b)* home visits, have led to benefit being increased or extended for a longer period. [82067]

Angela Eagle: The information is not available in the format requested as the Independent Tribunal Service does not separately identify Benefit Integrity Project (BIP) appeals cases. Such information as is available is in the table.

	Postal	*Per cent. of postal appeals*	*Visit*	*Per cent. of visit appeals*	*Total*	*Per cent. of total appeals*
Total appeal decisions	1,223	—	331	—	1,554	—
Increased from original award	58	4.74	0	0	58	3.73
Original award extended	288	23.54	99	29.90	387	24.90
Increased from BIP decision	637	52.08	193	58.30	830	53.41
BIP award extended	22	1.79	10	3.02	32	2.05
Increased from 2nd tier review decision	627	51.26	185	55.89	812	52.25
2nd tier review award extended	37	3.02	18	5.43	55	3.53

Notes:
1. The figures are up to and including 28 February 1999.
2. The "total" figures include unchanged and decreased awards, so are not the sum of the figures listed below them.
3. Figures provided by the Benefits Agency.

Mr. Rendel: To ask the Secretary of State for Social Security (1) what has been the average clearance time for appeals arising from the Benefit Integrity Project since its commencement; [82021]

(2) what progress his Department has made in reducing the average clearance time for appeals arising from the Benefit Integrity Project through speeding up the preparation of appeals. [82022]

Angela Eagle: The action taken to reduce average clearance time for appeals arising from the Benefit Integrity Project (BIP) falls into two areas: the preparation of appeals submissions by the Benefits Agency and the processing of the appeal by the Independent Tribunal Service (ITS).

The Independent Tribunal Service (ITS) does not separately measure clearance times for appeals arising from the Benefit Integrity Project and so the information cannot be provided in the format requested.

Benefits Agency statistics indicate that the average clearance time for appeals arising from the Benefit Integrity Project since its commencement is 163.5 days, from receipt of the appeal in the Agency to determination of the appeal by the ITS.

The Independent Tribunal Service (ITS) has raised awareness of BIP appeals among its staff and tribunal members and procedures are in place to expedite these appeals where necessary. ITS is committed to reducing waiting times for all appellants and has a clear strategy for this. An increase in average clearance times will be seen, however, as older cases are resolved although within this, individual appellants will be receiving an improved service. During the second half of 1999, we will introduce changes to the appeals process which are designed to streamline the process and provide a more efficient and speedier service.

War Widows Pensions

Mrs. Fyfe: To ask the Secretary of State for Social Security if he will estimate the amount paid annually in war widows pensions *(a)* on average to each war widow and *(b)* in total to all recipients living in Scotland. [81276]

Mr. Bayley: Questions on operational matters concerning the War Pensions Agency are for the Chief Executive, Mr. Gordon Hextall. I have asked him to write to the hon. Member.

Letter from Peter Hulme to Mrs. Maria Fyfe dated 23 April 1999:

The Secretary of State for Social Security has asked Gordon Hextall to reply to your recent Parliamentary Question about the average amount paid annually in War Widows Pensions to each War Widow and the total amount paid to all recipients living in Scotland. Gordon Hextall is overseas at the moment and has therefore asked me to reply on his behalf.

I have use the most up to date figures available. Regarding the average annual payment made to a War Widow in the UK, the latest figures relate to August 1998, when the average amount paid was £8,261.14. Regarding the number of War Widows living in Scotland, the latest figures relate to March 1998 when there were an estimated 4,564 War Widows resident in Scotland. Therefore, the estimated amount paid to all recipients of War Widows Pension in Scotland is £37,703,842.

I hope this is helpful and if you need any further information, I will be happy to assist.

HEALTH

Passported Benefits

Ms Buck: To ask the Secretary of State for Health what would be the cost of designating recipients of tax credits and their families as people entitled to passported benefits under the National Health Service (Travelling Expenses and Remission of Charges) Regulations 1988. [69748]

Mr. Denham: The additional costs (compared with the current passporting of Family Credit and Disability Working Allowance) are (for England) estimated to be £48 million in 1999–2000, £113 million in 2000–01 and £125 million in 2001–02 in total in respect of National Health Service prescriptions, NHS dental treatment, NHS sight tests and optical vouchers. Costs in respect of wigs and fabric supports and patients' travel hospital expenses would also be incurred by NHS trusts.

Lamotrigine

Mr. Lock: To ask the Secretary of State for Health, pursuant to his answer of 30 March 1999, *Official Report*, columns *656–57*, on Lamotrigine, if he will list for each of the 35 inquiries referred to *(a)* the incident or event which gave rise to the inquiry, *(b)* the name and address of the person who generated the inquiry, *(c)* details of the nature of the inquiry and *(d)* the steps which (i) his Department and (ii) the Medicines Control Agency have taken in response to the inquiry. [80231]

Mr. Denham *[holding answer 13 April 1999]:* Details of the 35 inquiries received by the Medicines Control Agency relating to lamotrigine from health professionals and members of the public since the marketing authorisation was granted are shown in the table. In many cases, the incident or event which gave rise to the inquiry is not known. Under the Data Protection Act the names and addresses of the inquirers have been withheld and cannot be provided without the written permission of the individuals concerned. In most cases, the nature of the inquiries was to seek information on adverse drug reactions to lamotrigine, which is routinely provided on request to health professionals and members of the public by the Medicines Control Agency.

Inquiries relating to lamotrigine received by the Medicines Control Agency up to April 1999

Reason for inquiry	*Inquirer*	*Nature of inquiry (information requested)*	*Response*
Not known	Doctor	Information on reduced white blood cell count with carbamazepine and lamotrigine	Drug Analysis Prints (DAPs) provided
A patient with hair loss	Doctor	Information on hair loss with lamotrigine	DAP and details of reports of hair loss provided
An ADR reporting study	Doctor	Information on ADR reports in the Grampian Region for citalopram, gabapentin, lamotrigine, moclobemide, nefazodone, tramadol, venlafazine, topiramate and fentanyl patches	Details of reports provided

Inquiries relating to lamotrigine received by the Medicines Control Agency up to April 1999

Reason for inquiry	*Inquirer*	*Nature of inquiry (information requested)*	*Response*
A pathologist had carried out an autopsy on patient who had taken lamotrigine	Doctor	Information on deaths reported in association with lamotrigine	DAP and details of fatal reports provided
Not known	Doctor	Information on ADRs with lamotrigine (particularly aggression)	DAP provided
Not known	Pharmacist	Information on ADRs to lamotrigine (particularly liver reactions)	DAP provided
The doctor was reporting a patient with dizziness and vomiting on lamotrigine	Doctor	Information on ADRs to lamotrigine	DAP provided
The inquirer was editing a textbook	Doctor	Information related to psychiatric ADRs with gabapentin, lamotrigine, vigabatrin, topiramate, clobazam and felbamate	DAP provided
Not known	Doctor	Information on ADRs with lamotrigine	DAP provided
Not known	Doctor	Information on ADRs with lamotrigine	DAP provided
The inquirer was carrying out research on ADRs with antiepileptics	Doctor	Information on ADRs with lamotrigine, vigabatrin, gabapentin	DAPs provided
The inquirer needed information for a court report	Doctor	Information on cases of aggression, agitation, confusion, personality change and restlessness	Information on reports provided
Not known	Pharmacist	Information on ADRs with lamotrigine	DAP provided
Not known	Doctor	Information on yellow macular pigment with carbamazepine and lamotrigine	DAPs provided
Not known	Doctor	Information on uveitis with lamotrigine and sodium valproate	DAPs provided
Not known	Pharmacist	Information on lamotrigine and carbamazepine and ecchymoses and capillary fragility	DAPs provided
Not known	Doctor	Information on ADRs with lamotrigine	DAP provided
Not known	Pharmacist	Information on lamotrigine and hormone replacement therapy when used together	DAPs provided
Concern over press coverage of lamotrigine and skin reactions	Doctor	Further information requested	Information provided over telephone
Not known	Pharmacist	Information on pruritus and rashes with lamotrigine	DAP provided
Not known	Pharmacist	Information on gastrointestinal blockage vigabatrin, carbamazepine and lamotrigine	DAPs provided
Two patients on sodium valproate developed thrombocytopenia when lamotrigine was added	Pharmacist	Information on any other reports involving sodium valproate and lamotrigine	Details of relevant reports provided
Not known	Pharmacist	Information on visual hallucinations with lamotrigine	DAP and details of reports provided
Not known	Doctor	Information on hypogammaglobinaemia with lamotrigine and vigabatrin	DAPs provided
Not known	Pharmacist	Information on urinary incontinence with lamotrigine	DAPs provided
Not known	Pharmacist	Information on ADRs with lamotrigine	DAP provided
Not known	Doctor	Information on ADRs with gabapentin, vigabatrin and lamotrigine	DAPs provided
Not known	Pharmacist	Information on raised liver enzymes with lamotrigine	DAP provided
Not known	Pharmacist	Information on ADRs with lamotrigine and haloperidol	DAPs provided
Not known	Pharmacist	Information on ADRs indomethacin and diclofenac	DAPs provided
Not known	Doctor	Information on psychiatric ADRs with lamotrigine	DAP provided
Issue of skin reactions	Regulatory authority	Information on serious skin reactions with amotrigine	Details of reports provided

Inquiries relating to lamotrigine received by the Medicines Control Agency up to April 1999

Reason for inquiry	*Inquirer*	*Nature of inquiry (information requested)*	*Response*
Not known	Member of the public	Information on ADRs with lamotrigine	DAP provided
Confusion over the brand names Lamicta and Lamasil	GP Practice Manager	Inquiry as to whether there was a list of drugs with similar names which could cause confusion	No such list was known
Parliamentary question	Martin Redmond MP	What research his Department has carried out into a comparison of lamotrigine and valproate monotherapy in patients with primary generalised seizures; with what findings	Hansard reference 263 c922–3W

A Drug Analysis Print (DAP) gives a complete list of all suspected adverse reactions reported through the Yellow Card Scheme to the Committee on Safety of Medicines (CSM)/Medicines Control Agency (MCA) in association with the named drug substance.

NHS Pay

Mr. Laurence Robertson: To ask the Secretary of State for Health what estimate he has made of the cost to the Gloucestershire Health Authority of the pay award to all NHS employees for 1999–2000. [80401]

Mr. Denham *[holding answer 13 April 1999]:* Gloucestershire Health Authority, working closely with local National Health Service trusts, estimate that £6.6 million will be required to meet the costs of the pay award for NHS employees for 1999–2000. Pay awards for certain staff groups have yet to be announced.

Biggleswade and Steppingley Hospitals

Mr. Sayeed: To ask the Secretary of State for Health what proportion of the patient base at Biggleswade and Steppingley hospitals is comprised of people originating outside Mid-Bedfordshire. [80476]

Mr. Denham: The information requested is not normally available centrally; however, I am informed by the health authority that at Biggleswade Hospital, of the 20 admissions over the past two months 10 have been for patients outside the Mid-Bedfordshire area. At Steppingley Hospital, 8 out of the 27 patients admitted within the last two months were from out of the Mid-Bedfordshire area.

Speech Therapists

Mr. Cotter: To ask the Secretary of State for Health what has been the salary increase for speech therapists in the NHS in each of the last five years *(a)* in real terms and *(b)* as a percentage. [81065]

Mr. Denham *[holding answer 16 April 1999]:* The information requested is in the table.

Speech and language therapists' pay settlements 1994–98

Year	*Total increase per cent.*	
1994 -95	2.4	Paid in full from 1 April: 0.1 per cent. in real terms.
1995 -96	3.0	Paid as 1 per cent. national from 1 April 1995. Further 2 per cent. paid as local settlement: 0.4 per cent. in real terms.
1996 -97	2.8	Paid as 2 per cent. national from 1 April 1996 and further 0.8 per cent. as average local pay settlement:—0.1 per cent. in real terms.
1997 -98	3.3	Paid as 2 per cent. from 1 April 1997 and further 1.3 per cent. from 1 December: 0.8 per cent. in real terms.
1998 -99	3.8	Paid as 2 per cent. from 1 April 1998 and further 1.8 per cent. from 1 December: 0.8 per cent. in real terms.

Source:
Pay Increase:—Advance Letters (increase to basic salary for all grades). RPI(X): Office for National Statistics (rate, excluding mortgage rates, in April each year, starting in April 1994 and ending in April 1998).

Mental Health

Mr. Pike: To ask the Secretary of State for Health what assessment he has made of the provision of mental health treatment for members of the *(a)* black and *(b)* ethnic minority communities; and if he will make a statement. [81409]

Mr. Hutton: Our assessment is that, in common with other client groups suffering from mental health problems, the concerns and needs of people from black and ethnic minority communities have not been met under the system of care we inherited. That is why we have taken a fresh look at the provision of mental health services and produced a new strategy document entitled *Modernising Mental Health Services: safe, sound and supportive,* which was distributed to every Health Authority in December 1998, and backed it up with an additional investment of £700 million over three years for better treatment and care. This new strategy makes clear the Government's commitment to ensuring that everyone with mental health problems is treated fairly, on the basis of need, in a manner which preserves their autonomy, and which promotes opportunity for choice, and this includes people from black and ethnic minority communities.

National Institute for Clinical Excellence

Mr. Gordon Prentice: To ask the Secretary of State for Health if he will make a statement about the appraisal process for the National Institute for Clinical Excellence following the consultation on the document, "Faster Access to Modern Treatment". [81229]

Mr. Denham: Ministers are considering the response to the discussion document "Faster Access to Modern Treatment: how NICE appraisal will work" and further announcements will be made shortly.

The National Institute for Clinical Excellence will carry out 30 to 50 appraisals each year. My right hon. Friends the Secretaries of State for Health and for Wales, along

with the board of NICE, are responsible for deciding which appraisals NICE will commission each year. This year's work programme for NICE has yet to be finalised.

Liver Disease

Mr. Hancock: To ask the Secretary of State for Health what money his Department has provided for research into the study of liver disease in each of the last three years; what assessment he has made of the need for further research into liver disease; and if he will make a statement. [81631]

Ms Jowell: The Government fund health and medical research in a number of ways. The Department funds research and development to support its work on policy development and evaluation in health and social care. The Department also manages the National Health Service research and development levy, which is used to support research and development of relevance to the National Health Service in hospitals, general practice and other health care settings, and to fund the NHS research and development programme. In addition, the Medical Research Council (MRC)—which receives most of its income via grant-in-aid from the office of my right hon. Friend the Secretary of State for Trade and Industry—funds medical research as part of the Government's funding of the science and engineering base.

Priorities for departmental research and development support for the development of policy are determined through discussion with policy colleagues, the Departmental Research Committee and Ministers. In the NHS R&D programme, priorities take account of widespread consultation with those using, delivering and managing services, within a framework overseen by the Central Research and Development Committee for the NHS. In all cases, priorities for our budgets reflect analysis of the burden of disease, potential benefits, and Government priorities, and take account of the responsibilities and work of other funders.

The Department's policy research programme spent £285,000 on research into liver disease in 1996–97; £506,000 in 1997–98; and £662,000 in 1998–99.

A further £500,000 has been made available for a Hepatitis C research initiative, and commissioning will take place towards the end of this year.

Management of much of the research supported by the NHS R&D Levy is devolved and details of expenditure at project level are not collected routinely by the Department.

Project details of work directly funded by the Department or supported through the NHS R&D Levy can be found on the National Research Register (NRR). This is available in the Library and most medical libraries on CD Rom, and on the Internet: http://www.doh.gov.uk/nrr.htm. The NRR also contains many details of projects/trials funded by the MRC and other funders.

The MRC spent approximately £3.1 million on research on liver disease and liver function in 1995–96; and £3 million in both 1996–97 and 1997–98.

The MRC also funds basic research including the study of molecules and cells, genetics and infections and immunity, which will inform research in this area.

NHS Treatment (Age Discrimination)

Mr. Waterson: To ask the Secretary of State for Health what research he has commissioned into *(a)* refusal and *(b)* delay of treatment for patients aged over 50 years in the NHS on grounds of their age; and if he will make a statement. [81658]

Mr. Hutton: The Department has not commissioned any formal research into age discrimination in the provision of health services.

The fundamental principle of the National Health Service is to provide services for everybody on the basis of clinical need. We are putting in place a number of measures which should improve fair access to services, including national service frameworks, the Commission for Health Improvement, local clinical governance, and a new performance assessment framework.

We are taking a number of steps specifically to improve the health of older people. For example, this year, for the first time, all people over 75 have been targeted for influenza vaccination. We are also in the process of developing the national service framework (NSF) for the care of older people. It is anticipated that emerging findings will be published in the autumn, and that the NSF will be published in April 2000. The NSF will enable us to drive up the quality of and reduce variations in the care older people receive from the NHS and its partners.

NHS Superannuation

Miss Widdecombe: To ask the Secretary of State for Health if he will list the extra costs per annum of implementing the report on NHS superannuation for *(a)* 2000–01 and *(b)* 2000–02, indicating when these costs were first known. [81797]

Mr. Denham *[holding answer 23 April 1999]:* Increases in the employer contribution rate to the National Health Service Pension Scheme are expected to cost £165 million in 2000–2001 and £495 million in 2001–2002. These costs were anticipated and fully taken into account in the Department's comprehensive spending review settlement, in the light of findings emerging from the Government Actuary's actuarial investigation into the NHS Pension Scheme. Publication of the Government Actuary's Report has now been announced and I refer the right hon. Member to my reply to my hon. Friend the Member for Heywood and Middleton (Mr. Dobbin), 9 March 1999, *Official Report,* column *204.*

National Radiological Protection Board

Mr. Dalyell: To ask the Secretary of State for Health when he expects to receive the report of the panel set up by the National Radiological Protection Board to examine the health effects of mobile phones. [81972]

Ms Jowell: The Chairman, members, terms of reference and time-scale for reporting will be announced shortly.

Health Authority and Trust Financial Plans

Mr. Lansley: To ask the Secretary of State for Health if he will list, for each health authority and NHS trust, the projected budget surplus or deficit planned by that authority or trust for the financial year 1999–2000. [82069]

Mr. Denham: The financial plans of health authorities and trusts for financial year 1999–2000 have not yet been finalised.

Carers

Mrs. May: To ask the Secretary of State for Health if he will list the sums available to the unitary authorities in Berkshire this year and in each of the next two financial years as part of the £140 million available under the Government's strategy for carers. [82018]

Mr. Hutton: A Special Grant Report (No. 44) giving details of the allocation for 1999–2000 was approved by Parliament on 20 April 1999. Copies are available in the Library. The allocations to individual local authorities of the funding of £50 million for 2000–01 and £70 million for 2001–02 will be determined according to a formula, using the most recent data available at the time the grants are calculated. It is therefore not possible to confirm detailed final allocations for future years at this stage. Allocations for subsequent years will also be subject to Parliamentary approval at the relevant time.

Medicines Control Agency

Mr. Tredinnick: To ask the Secretary of State for Health if he will establish an independent panel to inform the deliberations of the Medicines Control Agency under the procedures set out in the consultation document MLX 249; and if he will make a statement. [82046]

Ms Jowell: How the review panel is constituted, and its terms of reference, form an important part of the proposals. We will consider carefully all responses on this and other issues before deciding whether and what legislation should be brought before Parliament.

Oesophageal Cancer

Mr. Kidney: To ask the Secretary of State for Health if he will report the current progress of the clinical trials regarding the treatment of oesophageal cancer relating to chemotherapy (OEO2). [81750]

Mr. Battle: I have been asked to reply.

The clinical trial on pre-operative chemotherapy for oesophageal cancer conducted by the Medical Research Council closed to new patients in June 1998. The trial recruited 800 patients across a large number of centres.

The data from the trial are currently being analysed and validated. It is anticipated that the research results will be published next year.

FOREIGN AND COMMONWEALTH AFFAIRS

Visas (China)

Mr. Sanders: To ask the Secretary of State for Foreign and Commonwealth Affairs how many visa applications from Chinese nationals for one-year study courses were made in each year since 1989; and what were the numbers *(a)* approved, *(b)* rejected and *(c)* subject to appeal in each year. [80784]

Mr. Fatchett: The figures requested are not collected by my Department and could be obtained only at disproportionate cost.

Libya (Trade Mission)

Mr. Austin: To ask the Secretary of State for Foreign and Commonwealth Affairs if he intends to open a trade mission in Libya; and if he will make a statement. [80808]

Mr. Fatchett *[holding answer 16 April 1999]:* We offer limited trade services to UK companies. But the resumption of more normal relations with Libya, including the expansion of our presence in Tripoli, depends in the first instance on satisfactory co-operation from Libya over the WPC Fletcher case.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Foreign and Commonwealth Affairs how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81203]

Mr. Fatchett: There is one Home Civil Service Grade 7 statistician in the FCO. The person concerned joined the Civil Service as a fast stream entrant. Although not having chartered statistician status, the statistician is a Fellow of the Royal Statistical Society and has an MSc in Statistics.

Mr. Menzies Campbell: To ask the Secretary of State for Foreign and Commonwealth Affairs how many staff who have worked as professional statisticians in his Department have left on early retirement in each of the past 10 years. [81183]

Mr. Fatchett: One statistician left the FCO in 1997 on early retirement.

Police Training

Ms Julie Morgan: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list the countries *(a)* from which police officers have visited the UK and *(b)* have been visited by UK military or police personnel to receive training under the assistance for in-service training scheme since 1 April 1998. [81376]

Mr. Tony Lloyd: The countries from which police officers have visited the United Kingdom to receive training under the Assistance to Support Stability with In-Service Training (ASSIST) scheme since 1 April 1998 are: Argentine, Bahamas, Bangladesh, Belize, Bermuda, Chile, Cyprus, Fiji, Ghana, Gibraltar, Hong Kong, India, Indonesia, Jamaica, Lebanon, Lesotho, Malawi, Mauritius, Mozambique, Pakistan, Papua New Guinea, St. Lucia, Singapore, Solomon Islands, South Africa, Sri Lanka, Swaziland, Tanzania, Tonga, Trinidad and Tobago, Turks and Caicos Islands, Uganda, Vanuatu, Zambia and Zimbabwe.

The countries whose police officers have been visited by UK military or police personnel to receive training under ASSIST since 1 April 1998 are: Brazil, China, El Salvador, Fiji, Kenya, Philippines, Turkey and Zimbabwe.

Ms Julie Morgan: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list the countries from which police officers *(a)* have visited the United Kingdom and *(b)* have been visited by United

Kingdom military or police personnel to receive training under the United Kingdom military training assistance scheme in the financial year 1997–98. [81377]

Mr. Tony Lloyd: The countries from which police officers have visited the United Kingdom to receive training under the United Kingdom Military Training Assistance Scheme (UKMTAS) in the financial year 1997–98 are: Anguilla, Antigua, Bahamas, Bangladesh, Barbados, Belize, Botswana, Bulgaria, Chile, China, Costa Rica, Croatia, Cyprus, Estonia, Fiji, Gibraltar, Grenada, Hungary, India, Jamaica, Kenya, Lebanon, Lesotho, Malaysia, Malta, Mauritius, Montserrat, Mozambique, Namibia, Pakistan, Papua New Guinea, Paraguay, Peru, Philippines, St. Christopher and Nevis, St. Vincent, Seychelles, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Tanzania, Trinidad and Tobago, Turks and Caicos Islands, Uganda, Vanuatu, Virgin Islands, Zambia and Zimbabwe.

The countries from which police officers have been visited by United Kingdom police or military personnel to receive training under UKMTAS in financial year 1997–98 are: Bosnia, Czech Republic, Fiji and Mongolia.

East Timor

Mr. Fabricant: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will meet his counterpart in the Government of the Commonwealth of Australia to discuss the situation in East Timor. [81709]

Mr. Fatchett: We are in regular contact with the Australian government about East Timor. I will be doing so again following my visit to Indonesia and East Timor this week.

Mr. Fabricant: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement concerning reports of a massacre of Timorese people by armed civilians on 16 and 17 April. [81710]

Mr. Fatchett: We are appalled at the recent killings in East Timor. We have called on the Indonesian government to rein in the militias. My right hon. Friend the Prime Minister sent a strong message to President Habibie on 19 April. The violence must not be allowed to derail the UN process at this crucial time.

Mr. Flynn: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations his Department has made to the Indonesian Government following the recent killing of people in East Timor by soldiers of the Indonesian Government. [81896]

Mr. Fatchett *[holding answer 23 April 1999]:* We are appalled at the recent killings in East Timor. My right hon. Friend the Prime Minister sent a strong message to President Habibie on 19 April.

Kosovo

Mr. Maclean: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the *(a)* nature, *(b)* length, *(c)* location, *(d)* means and *(e)* time of his communication with Hashim Thaqi of the Kosovo Liberation Army urging restraint. [81653]

Mr. Tony Lloyd: In a letter addressed to Mr. Thaqi, jointly signed by the French Foreign Minister and my right hon. Friend the Foreign Secretary on the adjournment of the talks on Kosovo at the Kleber Centre in Paris on 19 March, they emphasised the importance of the Kosovo Albanian side avoiding provocations and respecting the commitment they had made to a peaceful solution. The letter was delivered to the Kosovo Albanian delegation in Paris on 19 March. We believe that Mr. Thaqi has indeed shown commendable restraint, despite the worsening situation in Kosovo.

French Fishing Vessel (Guernsey)

Mr. Maclean: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the state of relations with the French Government over the Guernsey court case involving the French vessel La Confiance 2; what representations he has received; and what is his policy on the jurisdiction over the waters concerned. [81652]

Mr. Tony Lloyd: The Master of La Confiance 2 was arrested on 26 August last year on suspicion of fishing illegally within Guernsey's fishing limits. He was convicted on 7 April by a Guernsey court. Our Ambassador in Paris discussed the case with the French authorities on 19 April. Sir M. Jay made clear that we considered the arrest had been made in accordance with UK and international law.

Visitor Visas

Fiona Mactaggart: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list, for each British post abroad which operates a pre-sift system for people applying for visit visas, how many people *(a)* were advised to withdraw their applications and *(b)* followed that advice, in (i) 1998 and (ii) 1999 to the latest convenient date. [81688]

Mr. Tony Lloyd: During 1998, a total of 44,031 applicants withdrew their application at the Preliminary Assessment Stage. 52 posts operated a pre-sift system in 1998. They were as follows:

Post	*Applications withdrawn*
Abuja	1,862
Accra	1,038
Abu Dhabi	28
Addis Ababa	1,179
Amman	1,507
Amsterdam	790
Ankara	4
Bahrain	7
Baku	13
Bangkok	66
Banjul	545
Beirut	3
Belgrade	532
Bombay	4,302
Calcutta	20
Cairo	1,422
Casablanca	421
Colombo	80
Copenhagen	44
Damascus	92
Dar es Salaam	9
Dhaka	1,158
Dubai	3
Dublin	177
Dusseldorf	312
Geneva	29

Post	Applications withdrawn
Hanoi	12
Islamabad	12,350
Istanbul	123
Kiev	3
Kingston	780
Kinshasa	41
Lagos	2,060
Los Angeles	925
Madras	1,076
Madrid	5
Manila	126
Nairobi	139
New Delhi	5,549
Oslo	133
Peking	35
Paris	1,917
Quito	338
Rome	236
Sana'a	348
Sarajevo	8
Stockholm	47
Tashkent	2
Tehran	1,639
Tunis	245
Washington	111
Wellington	140

The number of applicants who choose not to withdraw their application is not separately recorded.

Figures for 1999 will not be available until posts complete their 1999 Annual Statistical Return early in the year 2000. These figures are not collected monthly.

Fiona Mactaggart: To ask the Secretary of State for Foreign and Commonwealth Affairs what factors underlie the decisions on which posts abroad operate a pre-sift system in dealing with applications for visit visas. [81689]

Mr. Tony Lloyd: The decision to introduce a "sift" at any post can be taken only with the agreement of Migration and Visa Division. The factors taken into account will include overall numbers of applicants and the time each has to wait. Where a post experiences a large number of inadequately documented applications or visit visa applicants who have no connection with the UK or who are unclear about what they intend to do there, a "sift" may be introduced. The benefits of the "sift" procedure are that it prevents unnecessary work for the Entry Clearance Officer (ECO) and saves time, money and the disappointment of a refusal for the applicant. In addition, it shortens the waiting time for the well-prepared and well-supported applicant.

Any decision not to proceed is the applicant's. If he/she wishes to pursue the application it will be accepted on payment of the appropriate fee.

Falkland Islands

Mr. Keetch: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he has made to the Governments of Uruguay and Brazil about their decision to withdraw diversion rights for RAF Tristars flying to the Falkland Islands; and if he will make a statement. [81869]

Mr. Tony Lloyd: There has been no withdrawal of diversion rights by the Governments of Uruguay or Brazil for RAF Tristars flying to the Falkland Islands.

Pakistan

Mr. Gordon Prentice: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he has made to the Government of Pakistan concerning reports of infringement of the rights of workers and trade unionists. [81857]

Mr. Fatchett: We have noted the concerns expressed by the International Confederation of Free Trade Unions about the position of trade unions in Pakistan. In association with international labour organisations, we will continue to monitor carefully the rights of workers and trade unionists in Pakistan.

Missile Tests (India and Pakistan)

Mr. Gordon Prentice: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he has made to the Governments of India and Pakistan following the missile tests on 11 and 14 April; what progress he has made in persuading both Governments to sign up to the Comprehensive Test Ban Treaty; and if he will make a statement. [81855]

Mr. Fatchett: We have expressed regret that India and Pakistan have chosen to conduct missile tests and continue to believe that restraint in developing nuclear weapons and delivery systems is in both countries' long-term interests. We welcome positive indications by both India and Pakistan that they will sign the Comprehensive Test Ban Treaty in time to allow entry into force by September this year.

International War Crimes Tribunal

Mr. Llew Smith: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on his policy on the public release of intelligence reports on atrocities committed by foreign Governments; and if information provided to the International War Crimes Tribunal in the Hague will be released to Parliament. [81942]

Mr. Tony Lloyd: It is not the Government's practice to publish intelligence material. Given the exceptional circumstances in Kosovo, the decision was made to release classified information to the International Criminal Tribunal for the former Yugoslavia, in order to assist the investigation. It would not be appropriate to make this classified information more widely available.

Iraq

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on political and diplomatic developments in relation to Iraq since 24 March. [82029]

Mr. Fatchett: Three panels established by the Security Council issued their reports on 30 March. We have now tabled a draft Security Council resolution, with the Netherlands as co-sponsors, which attempts to translate the work of the panels into action.

On disarmament, it would establish a new body, the UN Commission on Investigation, Inspection and Monitoring, to continue UNSCOM's efforts to answer outstanding disarmament questions, primarily through a reinforced monitoring and verification system as recommended by the panel. On the humanitarian side, our resolution draws together a range of measures which should make significant improvements to the humanitarian situation in Iraq, while remaining faithful to the Council's obligation to uphold its resolutions. Finally, the draft picks up the panel's recommendations on dealing with Iraq's continued failure to meet its obligations over Kuwaitis and others missing since 1991. Discussion of our draft continues in New York.

Gibraltar

Dr. Marek: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make it his policy that opt-in proposals by Her Majesty's Government into parts of the Schengen Agreement will only be made on the basis that Gibraltar will also have the same opportunity. [82036]

Ms Quin: At this stage, details of which aspects of the Schengen Agreement Gibraltar would wish to participate in are still under discussion with the Government of Gibraltar.

Chagos Islands

Dr. Marek: To ask the Secretary of State for Foreign and Commonwealth Affairs for what reasons the White Paper on Overseas Territories did not propose the granting of full British passports to those Chagossiens who had British citizenship before being resettled. [82035]

Mr. Tony Lloyd: British citizenship did not come into being until 1 January 1983. The Ilois (who were at that time citizens of the United Kingdom and Colonies) left the Territory 30 years ago. We have to deal with the situation now; the vast majority of the Ilois are citizens of other sovereign states, (either Mauritius or the Seychelles), in addition to holding British Dependent Territory citizenship, and have been for a generation. This is in contrast to other British Dependent Territories citizens who are solely British.

Serbia

Mr. Viggers: To ask the Secretary of State for Foreign and Commonwealth Affairs what advice he has received about the basis in international law for the military action by the United Kingdom and its NATO allies against Serbia. [82068]

Mr. Tony Lloyd: The action being taken is an exceptional measure to halt an overwhelming humanitarian catastrophe.

Every means short of force was tried to avert this situation. In these circumstances, and as an exceptional measure on grounds of overwhelming humanitarian necessity, military intervention is legally justifiable under international law.

China and Tibet

Mr. Wilkinson: To ask the Secretary of State for Foreign and Commonwealth Affairs if he discussed with the Secretary of State of the United States of America United Kingdom support for the USA's draft resolution on China and Tibet at the 55 United Nations Commission on Human Rights. [82182]

Mr. Fatchett: We remain in close contact with our main partners, including the United States, in furthering the common objective of achieving concrete improvements in the human rights situation in China. Along with our European Union partners, we voted against a Chinese no-action motion at the UNCHR on 23 April which sought to prevent a vote on the US-tabled resolution.

Mr. Wilkinson: To ask the Secretary of State for Foreign and Commonwealth Affairs on what grounds the United Kingdom decided at the General Affairs Council of the European Union not to co-sponsor a joint resolution with its partners on Chinese suppression of human rights in Tibet for the 55 United Nations Commission on Human Rights. [82181]

Mr. Stevenson: To ask the Secretary of State for Foreign and Commonwealth Affairs (1) for what reasons he did not table or co-sponsor during the recent General Affairs Council of the European Union a resolution on human rights in China for the 55 UN Commission for Human Rights; and if he will make a statement; [82147]

(2) if he intends to support the draft resolution on China and Tibet tabled by the United States at the 55 UNCHR; [82146]

Mr. Fatchett: We believe, as do our European Union partners, that continued dialogue and co-operation with China on human rights is more likely to bring about concrete improvement than repeated UN resolutions, all of which have failed to be adopted in the past. This dialogue-based approach has made limited progress in some areas and we will be pressing China for further concrete steps. The General Affairs Council therefore decided on 22 March not to table or co-sponsor a resolution on China at this year's Commission on Human Rights.

Royal Turks and Caicos Islands Police

Dr. Kumar: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will publish the *(a)* date of advertisement, *(b)* closing date of applications, *(c)* the names of (i) short-listed and (ii) all other candidates, *(d)* the interview date of candidates and *(e)* the date of appointment for the post of the Deputy Commissioner of the Royal Turks and Caicos Islands Police. [81852]

Mr. Foulkes: I have been asked to reply.

The post was advertised in the Police Review on Friday 6 November 1998. The closing date for applications was Friday 4 December 1998. As regards the names of candidates, all applications to the Department for International Development (DFID) are treated in confidence and therefore we should not disclose these details. Of the 17 people who responded to the advertisement, only 4 formally applied for the appointment. Three of these 4 applicants were short-listed for interview. Candidates for this and another police post in the Turks and Caicos Islands were interviewed on Monday 18 and Tuesday 19 January. Robert Turnbull was

interviewed on Tuesday 19 January. Mr. Turnbull was informed that he had been selected for the position on 3 February 1999, and his contract with DFID commenced on 20 March 1999.

NORTHERN IRELAND

Ministerial Meetings

Mr. Matthew Taylor: To ask the Secretary of State for Northern Ireland how many times Ministers in her Department have held meetings with members and officials in the US Administration since 1 June 1998, indicating the dates and locations of each meeting, the Ministers involved at each meeting and the US Department involved in each meeting. [80868]

Marjorie Mowlam: NIO Ministers meet members of the US Administration, up to and including President Clinton, both in the United States and in the United Kingdom on a regular basis to discuss a wide range of issues.

Since 1 June 1998, my Ministerial colleagues and I have had the following formal meetings:

Dates	*Location*	*Minister*	*US Representatives*
7 June 1998	Belfast	Dr. Mowlam	Mr. W. Daley—US Secretary of State for Commerce
8 June 1998	Belfast	Mr. Ingram	Mr. W. Daley—US Secretary of State for Commerce Ms M. Hanley—Director Public Affairs, US Department of Commerce Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland Mr. E. Mottur—Acting Assistant Secretary for Trade and Development, US Department of Commerce Ms L. Naphin—Director Office of Business Liaison, US Department of Commerce Ms M. Searing—Acting Assistant Secretary and Director, General Commercial Service, US Department of Commerce
22 July 1998	Washington	Dr. Mowlam	Mrs. H. Clinton—The First Lady Mr. L. Butler—Director, European Directorate, National Security Council Ms Theresa Loar—State Department Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland Ms M. Albright—Secretary of State, State Department The Hon. T. Pickering—Under Secretary for Political Affairs, State Department Mr. L. Butler—Director, European Directorate, National Security Council Mr. S. Berger (and Mr. J. Steinberg) Deputy National Security Adviser
7 August 1998	Belfast	Dr. Mowlam	Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland
2 September 1998	Belfast	Mr. McFall	Ms K. Higgins—Deputy Secretary, US Department of Labor
7 to 9 October 1998	New York	Dr. Mowlam Mr. Ingram	Ms K. Higgins—Deputy Secretary, US Department of Labor Mr. P. Mulloy—Assistant Secretary for Market Access and Compliance
15 to 16 October 1998	Denver	Mr. Ingram	Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland
25 to 27 October 1998	Atlanta	Mr. McFall	Mr. S. P. Troy—Director Commercial Service, US Department of Commerce
28 to 29 October 1998	San Jose	Mr. McFall	Mr. W. Daley—US Secretary of State for Commerce
4 December 1998	London	Dr. Mowlam	Mr. J. Steinberg—Deputy National Security Adviser
8 to 9 December 1998	Washington	Mr. Murphy	Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland Mr. L. Butler—Director, European Directorate, National Security Council
14 January 1999	Washington	Dr. Mowlam	Mrs. H. Clinton—First Lady Ms D Shalala—US Secretary of State for Health Mr. S. Berger—Deputy National Security Adviser Mr. J. Steinberg—Deputy National Security Adviser Mr. L. Butler—Director, European Directorate, National Security Council
2 March 1999	Washington	Mr. Murphy	Ambassador W. Sherman and Mr. J. O'Brien, Under Secretary for Global Affairs and Senior Adviser to Ms Albright Mr. J. Steinberg—Deputy National Security Adviser
16 March 1999	Washington	Dr. Mowlam	President Clinton and Mrs. Hilary Clinton Ms M. Albright—Secretary of State, State Department Ms D. Shalala—US Secretary of State for Health Messrs Berger and Steinberg—Deputy National Security Advisers Mr. J. Lyons—Special Adviser to President Clinton and Secretary of State for Economic Initiatives in Ireland

Hospitals (Long-stay Patients)

Mr. William Ross: To ask the Secretary of State for Northern Ireland what is for each Trust in Northern Ireland the number of beds in each of their hospitals dedicated as long-stay for elderly people; and how many this represents per 100,000 population in *(a)* each Trust area and *(b)* the area served by each hospital. [80873]

Mr. McFall: Beds are not designated specifically as long stay in Northern Ireland. However, Table 1 shows the number of long-stay patients in the geriatric medicine speciality who were resident in acute hospitals in Northern Ireland on 31 March 1998. Table 2 shows the number of long-stay patients aged 65 or over resident in mental illness and learning disability hospitals in Northern

Ireland on 17 February 1998. Long-stay patients are classified as those with a length of stay in hospital of at least one year.

Table 1: Patients in the geriatric medicine speciality resident in acute hospital in Northern Ireland on 31 March 1998.

Trust/Hospital	*Long Stay (>-365 days)*
Royal Group of Hospitals HSS Trust	51
Royal Victoria Hospital	51
Belfast City Hospitals HSS Trust	28
Belfast City Hospital	28
Greenpark HSS Trust	20
Musgrave Park Hospital	11
Forster Green Hospital	9
Ulster Community & Hospitals Trust	18
Ards Hospital	4
Ulster Hospital	13
Bangor Hospital	1
Craigavon Area Hospital Group HSS Trust	113
Lurgan Hospital	108
Craigavon Area Hospital	5
Down & Lisburn HSS Trust	26
Lagan Valley Hospital	10
Downe Hospital	16
Newry & Mourne HSS Trust	38
Daisy Hill Hospital	25
Mourne Hospital	13
United Hospitals Group HSS Trust	197
Moyle Hospital	2
Whiteabbey Hospital	12
Antrim Hospital	13
Braid Valley Hospital	170
Armagh & Dunganon HSS Trust	126
South Tyrone Hospital	59
Mullinure Hospital	67
Altnagelvin Group HSS Trust	72
Altnagelvin Hospital	13
Waterside Hospital	50
Roe Valley Hospital	9
Sperrin Lakeland HSS Trust	37
Erne Hospital	15
Tyrone County Hospital	3
Omagh General Hospital	12
Derg Valley Hospital	7
Northern Ireland	726

Source:
Hospital Inpatients System

Table 2: Patients aged 65 and over resident in mental illness and learning disability hospitals on 17 February 1998.

Trust/Hospital	*Long Stay (>=365 days)*
Foyle Community HSS Trust	41
Gransha Hospital	36
Stradreagh Hospital	5
Sperrin Lakeland HSS Trust	50
Tyrone & Fermanagh Hospital	50
North & West Belfast HSS Trust	45
Muckamore Abbey Hospital	45

Table 2: Patients aged 65 and over resident in mental illness and learning disability hospitals on 17 February 1998.

Trust/Hospital	*Long Stay (>=365 days)*
Ulster Community & Hospitals HSS Trust	0
Ards PNU	0
Down Lisburn HSS Trust	53
Downshire Hospital	53
Lagan Valley PNU	0
Belfast City Hospital HSS Trust	0
Windsor House	0
Homefirst Community HSS Trust	70
Holywell Hospital	70
Whiteabbey PNU	0
Armagh & Dungannon HSS Trust	69
St Lukes Hospital	63
Longstone Hospital	6
Causeway HSS Trust	0
Ross Thompson Hospital	0
South & East Belfast HSS Trust	123
Knockbracken Hospital	123
Mater Infirmorum Hospital HSS Trust	0
Mater Infirmorum Hospital	0
Craigavon & Bambridge Community HSS Trust	0
Craigavon PNU	0
Northern Ireland	451

Source:
Mental Illness & Learning Disability Census

Northern Ireland Housing Executive

Mr. Walker: To ask the Secretary of State for Northern Ireland what role she plans for the Northern Ireland Housing Executive following the transfer of responsibility for social housing to the Northern Ireland Assembly; and if she will make a statement. [81212]

Mr. Paul Murphy: Following the transfer of responsibility for social housing to the Northern Ireland Assembly, it will be for the Assembly to decide on future housing policies and legislation, and on the structures and roles required to deliver them.

Peace and Reconciliation Funding

Mr. Donaldson: To ask the Secretary of State for Northern Ireland how much has been paid in grants from peace and reconciliation funding by district partnerships to *(a)* victims groups, by district council area and *(b)* prisoners groups, by district council area. [81256]

Mr. Paul Murphy *[holding answer 19 April 1999]:* The information requested has been placed in the Library of the House.

HIV

Dr. Strang: To ask the Secretary of State for Northern Ireland if she will make a statement on the anonymised programme of HIV surveillance in Northern Ireland, setting out for each survey currently in operation or planned *(a)* the location, *(b)* the targeted populations, *(c)* the clinical reasons for initial collection

of specimens, *(d)* the number of specimen collection venues, *(e)* the annual specimen numbers, *(f)* the most recent prevalence data, *(g)* whether the consent of those tested was sought for entry into the survey and *(h)* whether those tested were informed that they were to be entered into the survey. [81615]

Mr. McFall:

(a) and (d) The anonymised programme of HIV surveillance in Northern Ireland is carried out exclusively at the Genito-urinary Medicine Clinic, Royal Victoria Hospital, Belfast.

(b) The targeted population is all new attendees at the clinic.

(c) Genito-urinary clinic attendees have a syphilis serology test or presenting with a new sexually transmitted disease for the first time in a calender quarter are eligible for entry into the survey.

(c) and (f) The data requested are set out in the table.

(g) and (h) The programme of unlinked anonymous testing for HIV as introduced in the UK in accordance with World Health Organisation guidelines for its global programme on AIDS on the basis that specific informed consent is not required. However, attendees are given an explanatory leaflet which makes it clear that all identification will be removed from the sample and they can elect not to have their sample tested. Posters explaining the position are also displayed in the clinic.

Sexual orientation	*1995*		*1996*		*1997*	
	No	*%+ve*	*No*	*%+ve*	*No*	*%+ve*
Homo/Bisexual (Male)	137	2.92	125	4.80	144	4.17
Heterosexual (Male)	1,921	0.05	1,973	0.10	2,108	0.09
Heterosexual (Female)	1,677	0.00	1,833	0.05	1,707	0.06

AGRICULTURE, FISHERIES AND FOOD

Genetically Modified Foods

Mr. Maclean: To ask the Minister of Agriculture, Fisheries and Food how much has been spent by the Government on researching genetically modified foods in each of the last 10 years; and if he will list the projects undertaken. [81923]

Mr. Rooker *[holding answer 23 April 1999]:* The Government have spent the amounts listed in the table in each of the last 10 years on research to underpin the safety assessment of genetically modified foods.

Year	*£000*
1989–90	0
1990–91	0
1991–92	0
1992–93	23
1993–94	95
1994–95	361
1995–96	646
1996–97	569
1997–98	709
1998–99	814

The project titles are as follows.

Tagging genetically engineered organisms.

Development of new methods for safety evaluation of transgenic crops.

Honey from genetically modified plants: integrity of pollen DNA, and expression of promoters in floral organs.

Genetically modified organisms in food-evaluation of in vitro and in vivo models for assessing DNA transfer in gut.

Detection of genetically modified organisms in foods.

A model system for the quantitative analysis of horizontal spread of DNA from genetically engineered microorganisms GIT.

Potential for gene transfer between manipulated bacteria and the resident microflora of the human gut.

A model system for the quantitative analysis of horizontal spread of DNA from genetically engineered microorganisms.

Regulation and targeting of transgene expression in fruit crops.

Causes of instability in transgenic plants.

Safety of recombinant DNA technology: gene location, marker elimination and secondary effect.

A database of novel foods and food products cleared in countries other than the UK.

Genes that have been introduced by genetic modification into crop plants intended for food use.

The effect of agriculturally-relevant environmental factors on the expression and stability of genes affecting wheat lip.

Survival of DNA in the gut and the potential for genetic transformation of resident bacteria.

Evaluating the risks associated with using GMOs in human foods.

Impact of transformation methods, construct and gene cassette architecture on the stability and expression of transgenes.

Assessment of the risks of transferring antibiotic resistance—determinants from transgenic plants to micro-organisms.

Dissemination of GM DNA and antibiotic resistance genes via rumen microorganisms.

Risk of gene transfer from genetically modified crop plants to gut bacteria.

Causes and consequences of pathogen induced transgene instability.

Analytical methods for the detection of genetically modified foods—current and future developments.

Implications of secondary metabolites produced in response to biotic and abiotic stress by GM potatoes.

Survey of analytical techniques available and under development for long term monitoring of FS of GMOs and their products.

Gene expression in anthers and nectaries of transgenic plants.

The stability of expression and inheritance of transgenes in brassica.

Development of methods to predict the allergenic potential of genetically modified foods.

Development an in vitro screening method for allergens in novel foods.

Adverse reactions to food.

Mr. Gale: To ask the Minister of Agriculture, Fisheries and Food what assessment his Department has made of the safety of imported genetically modified ingredients reportedly used in the production of *(a)* pot noodles and *(b)* other food products on sale in the United Kingdom; and if he will make a statement. [72001]

Mr. Rooker *[holding answer 22 February 1999]:* The safety of all GM food ingredients permitted for use in foods on sale in the UK has been thoroughly assessed by the Advisory Committee on Novel Foods and Processes and judged to be as safe as those from their non GM equivalents.

Novel Foods

Mr. Baker: To ask the Minister of Agriculture, Fisheries and Food what steps he takes to ensure that novel foods for which patents are granted cannot then be classified as substantially equivalent, and vice versa. [72569]

Mr. Rooker *[holding answer 22 February 1999]:* Substantial equivalence is a concept related to the safety assessment of novel foods and has no link to the patenting of such foods.

Mr. Mitchell: To ask the Minister of Agriculture, Fisheries and Food when he received the first draft of the Novel Foods Directive from the Commission of the European Community; what response he made and what interests he consulted; when signed explanatory memoranda were placed in the Vote Office; and what plans he has to make representations to the Commission of the European Union concerning the terms of the Directive. [72205]

Mr. Rooker *[holding answer 22 February 1999]:* I assume my hon. Friend is referring to the EC Novel Foods and Novel Food Ingredients Regulation 258/97 adopted on 27 January 1997. The proposed regulation was received, negotiated and adopted by the previous Administration and I have no access to the related papers. The regulation is due for review in 2002.

Milk Purchasers

Mrs. Browning: To ask the Minister of Agriculture, Fisheries and Food if he will publish the 1998–99 figures for milk purchasers notified by the Intervention Board. [81965]

Mr. Rooker *[holding answer 23 April 1999]:* The Intervention Board published provisional milk purchase figures for 1998–99 in its Notice to Traders No. MQ 12/98 dated 9 April 1999. Provisional cumulative butterfat-adjusted purchases totalled 13,951.6 million litres. This figure is subject to verification and subsequent confirmation.

Mrs. Browning: To ask the Minister of Agriculture, Fisheries and Food what representations he has received about overstated milk purchasers notified to the Intervention Board for 1998–99. [81966]

Mr. Rooker *[holding answer 23 April 1999]:* The Intervention Board has received a number of representations from producers and their representatives about milk production statistics and is in discussion with the industry through the Milk Quotas Experts Group. The Intervention Board relies on over 100 milk purchasers to supply production figures. As has been explained to the industry, these figures are provisional and subject to confirmation. They are not a proxy for the calculation of the 1998–99 milk levy which will be based on annual returns to be submitted by purchasers.

Pig Farmers

Mr. Coaker: To ask the Minister of Agriculture, Fisheries and Food what progress is being made with efforts to support British pig farmers; and if he will make a statement. [82205]

Mr. Rooker: The present situation remains serious for pig farmers, with prices still unstable and below the costs of production. Nevertheless, the average all-pigs price has shown a 26 per cent. improvement since its low point in January. European Commission figures indicate that current UK pig prices are 20 per cent. higher than the EU average, and higher than in any member state except Luxembourg. Whether the present gap between UK and EU prices will be sustainable is difficult to judge, but the fact that it exists at all is due, at least in part, to the emphasis on high animal welfare and other standards.

In recent months, the Government have done an enormous amount of work to assist the British pig industry. This includes lobbying the Commission in Brussels to use the existing mechanisms of export refunds and private storage aid to their best effect, encouraging retailers, caterers and public procurement bodies to take account of quality and welfare factors when making their purchases, writing to all MPs and UK MEPs encouraging them to support the pig industry in its endeavours to meet consumer demands, and continuing to invest considerable sums of public money in pig related R&D.

Lindane

Dr. Gibson: To ask the Minister of Agriculture, Fisheries and Food what plans he has to ban the insecticide Lindane following the EU Advisory Committee on Pesticides meeting on 15 April. [81743]

Mr. Rooker *[holding answer 23 April 1999]:* With my right hon. Friends the Secretaries of State for the Environment, Transport and the Regions, for Health, for Scotland and for Wales, I am considering the advice of our Advisory Committee on Pesticides regarding the use of the insecticide Lindane. The Committee considered a draft evaluation, prepared by the Austrian authorities, of the data submitted by the notifying companies in the course of the EU review for the Commission.

Correspondence

Mr. McLoughlin: To ask the Minister of Agriculture, Fisheries and Food when the hon. Member for West Derbyshire can expect a reply to his letter of 12 February, acknowledged on 4 March (ref. 124890), concerning the non-payment of the 1998 sheep farm annual premium scheme and the hill livestock compensatory allowances to Mr. S. Allen of Beech Farm, Taddington, Derbyshire. [81904]

Mr. Rooker *[holding answer 23 April 1999]:* We recently completed our deliberations on the case referred to by the hon. Member and a reply was sent to him on 22 April 1999 by my noble Friend the Parliamentary Secretary.

Rabies

Mr. Flynn: To ask the Minister of Agriculture, Fisheries and Food if he will list the countries which are outside the European Union and which are not islands which are currently considered to be free from rabies by the World Health Organisation. [81927]

Mr. Rooker: The World Health Organisation does not publish a list of countries which are considered to be free from rabies. However, the World Survey of Rabies No. 32 for the year 1996 (the latest available), which is

published by the World Health Organisation, lists the following countries and territories where no rabies was reported in 1996.

Africa

Cape Verde
Libyan Arab Jamahiriya
Mauritius
Reunion
Seychelles

America

Antigua and Barbuda
Bahamas
Barbados
Costa Rica
Saint Kitts and Nevis
Uruguay

Asia

Bahrain
Brunei Darussalam
Cyprus
Hong Kong
Japan
Kuwait
Malaysia (Sabah)
Maldives
Qatar
Singapore

Europe

Albania
Denmark
Finland
Gibraltar
Greece
Iceland
Ireland
Isle of Man
Italy
Jersey (Channel Islands)
Malta
Norway (except Svalbards Islands)
Portugal
Spain (except Ceuta)
Sweden
United Kingdom

Oceania

Australia
Cook Island
Fiji
French Polynesia
Guam
New Caledonia
New Zealand
Papua New Guinea
Vanuatu.

Quarantine Kennels

Mr. Flynn: To ask the Minister of Agriculture, Fisheries and Food what steps his Department takes to ensure that quarantine kennels meet acceptable standards of animal welfare. [81930]

Mr. Rooker: There are arrangements for MAFF Veterinary Officers to inspect quarantine premises four times a year. The inspections are carried out to check on compliance with the standards set with regard to the physical and disease security of the premises and also to check on compliance with the Voluntary Code of Practice for the Welfare of Dogs and Cats in Quarantine Premises in respect of those premises that have agreed to comply with the Code. Premises which do not comply with this Code can be removed from the published list of premises which do comply. The Animal Health (Amendment) Act 1998 gives Ministers powers to set welfare conditions in quarantine kennels on a statutory basis.

Mr. Flynn: To ask the Minister of Agriculture, Fisheries and Food how many quarantine kennels have indicated that they will be unable or unwilling to comply with the Animal Health (Amendment) Act 1998; and if he will list them. [81931]

Mr. Rooker: The Animal Health (Amendment) Act 1998 gives Ministers the power to make secondary legislation setting welfare conditions for animals kept in quarantine premises. The Government will hold a full public consultation involving all parties with an interest in the welfare of animals in quarantine, including quarantine kennels. It is at that stage that the position of individual kennels—who will have to comply with the legislation—will become clearer.

Hygiene Inspections

Mr. Andrew George: To ask the Minister of Agriculture, Fisheries and Food which is the competent authority to implement Articles 3 and 4 of Council Directive 64/433/EEC. [81720]

Mr. Rooker: In Great Britain, Articles 3 and 4 of Directive 64/433/EEC (as amended) have been implemented by means of the Fresh Meat (Hygiene and Inspection) Regulations 1995 (S.I.1995/539, as amended). At present, these Regulations are enforced in England by the Minister of Agriculture, Fisheries and Food and in Scotland and Wales by the appropriate Secretary of State. In practical terms, enforcement of the Regulations in GB is carried out by the Meat Hygiene Service (an Executive Agency of the Ministry of Agriculture, Fisheries and Food).

Mr. Andrew George: To ask the Minister of Agriculture, Fisheries and Food (1) if he will make a statement on *(a)* the frequency of veterinary inspections and *(b)* the exemptions for abattoirs and cutting plants which apply under Article 4(e) of Directive 64/433/EEC with regard to Chapter VIII of Annexe 1; [81719]

(2) what derogations apply to the exemption of small abattoirs and cutting plants from the requirements of Chapter VIII of Annexe 1 of Directive 64/433/EEC; and if he will make a statement. [81721]

Mr. Rooker: Directive 64/433/EEC (as amended) requires all fresh meat intended for sale for human consumption to be produced in licensed premises under

the supervision of an Official Veterinary Surgeon. The level and frequency of veterinary supervision is set out in Article 9 of the Directive.

Article 4 of the Directive provides a derogation from certain provisions in the case of certain small (low throughput) abattoirs and cutting plants. However, my Department's lawyers have confirmed that this derogation is in respect only of the structural requirements of the premises concerned and does not extend to the conditions applying to the hygienic operation of the premises or to the level and frequency of veterinary supervision required. Nevertheless, following representations from the industry, we have now asked the European Commission to give a view on the applicability of the specific veterinary supervision requirements to low-throughout premises.

There are no derogations from the requirements of Chapter VIII of Annexe 1 of Directive 64/433/EEC (as amended) in the case of low-throughout abattoirs. The Directive requires all fresh meat intended for sale for human consumption to undergo post-mortem inspection in accordance with Annexe 1, Chapter VIII.

Mr. Andrew George: To ask the Minister of Agriculture, Fisheries and Food if he has implemented Annexe 4 Chapter 1 (paragraph 6c) of Directive 96/43. [81722]

Mr. Rooker: Yes. This administrative provision, which provides for a composite invoice to be issued to an individual premises carrying out a number of functions (i.e. slaughtering, cutting or storing), is applied by the Meat Hygiene Service when invoicing plant operators for the costs of hygiene inspections.

Beef Exports

Mr. Tredinnick: To ask the Minister of Agriculture, Fisheries and Food what assessment he has made of progress towards the lifting of the ban on the export of British beef; and if he will make a statement. [82223]

Mr. Rooker: The European Commission inspected our procedures for operating the Date-based Export Scheme from 12 to 16 April. The Commission are now writing a report of their inspection for presentation to the Standing Veterinary Committee (SVC). After the SVC have seen the inspection report, the Commission should set a date from which exports of UK beef produced under the DBES can start.

Farmers (Administration Costs)

Mr. Tredinnick: To ask the Minister of Agriculture, Fisheries and Food what estimate he has made of the costs in real terms of administration for farmers in each of the last four years. [82180]

Mr. Rooker: Costs vary, depending upon the number of schemes participated in. The 1996 efficiency scrutiny on simplifying paperwork estimated that a livestock farmer involved with cattle and sheep and participating in a voluntary conservation scheme, possibly therefore with a heavier paperwork requirement than an average farmer, would spend £2,700 of his time dealing with paperwork. Implementation of scrutiny recommendations, where possible, should now be saving the equivalent of £6.5 million of farmers' time each year. Our aim is to keep the paperwork burden to a minimum, consistent with safeguarding public health, funds and the environment.

EDUCATION AND EMPLOYMENT

Pre-schools

Mrs. May: To ask the Secretary of State for Education and Employment how many four year-olds are currently attending *(a)* maintained nursery schools, *(b)* nursery classes in maintained primary schools, *(c)* reception classes, *(d)* voluntary sector pre-school provision and *(e)* private sector pre-school provision. [82017]

Ms Hodge: The available information is shown in the following table.

Number of four-year-olds in early years provision in maintained nursery schools, nursery and infant classes in maintained primary schools and the private, voluntary and independent sectors in England, January 1998:

	January 1998
Number of four-year-olds in maintained nursery schools	17,991
Number of four-year-olds in nursery classes in maintained primary schools	129,497
Number of four-year-olds in infant classes[1] in maintained primary schools	350,959
Number of four-year-olds in private and voluntary providers and independent schools	82,599

[1] Includes reception and other classes (i.e. non nursery classes)

Mrs. May: To ask the Secretary of State for Education and Employment (1) if he will estimate how many pre-schools have closed since May 1997; and if he will set out the basis of the Government's calculation; [82016]

(2) what assessment he has made of the basis for the difference in figures produced by his Department and by the Pre-School Learning Alliance on the number of pre-schools that have closed since May 1997. [82019]

Ms Hodge: The Department's annual survey of day-care facilities in England, using data submitted by local authorities, shows a small fall in the number of registered playgroups at March 1998 compared with a year earlier. Officials have arranged to discuss with the Pre-School Learning Alliance differences between their figures and the latest survey data.

Education (Expenditure)

Mr. Wilshire: To ask the Secretary of State for Education and Employment how much central Government money was spent per capita in 1998 in England on helping schools meet special educational needs. [82211]

Mr. Charles Clarke: Most funding for school education is allocated to local authorities by way of unhypothecated grant. Information on total actual spending by local education authorities and schools in meeting special educational needs is not collected centrally. The 1997 Green Paper "Excellence for all children: meeting special educational needs" estimated

that some £2.5 billion per year is spent meeting special educational needs, representing on average some £1,600 per child identified as having such needs.

Mr. Wilshire: To ask the Secretary of State for Education and Employment how much central Government money was spent per capita in 1998 in England on grants to *(a)* voluntary aided schools and *(b)* voluntary controlled schools. [82208]

Mr. Charles Clarke: Capital grants totalling £138,184,240 were allocated to voluntary-aided schools in the financial year 1998–99. This equates to £132 per pupil in this sector.

Capital grants totalling £18,513,446 were allocated to voluntary-controlled schools in the financial year 1998–99. This equates to £34 per pupil in this sector.

Mr. Wilshire: To ask the Secretary of State for Education and Employment how much central Government money was spent per capita in 1998 in England on (i) primary schools, (ii) secondary schools, (iii) further education colleges and (iv) universities. [82210]

Mr. Mudie: Unit costs for primary and secondary pupils and for full-time equivalent students in FE colleges and HE institutions are set out in the DfEE Departmental Report, Cm 4202, published on 24 March 1999, a copy of which was placed in the Library.

The unit costs for primary and secondary pupils in 1997–98 include a provisional central government element of £127 and £35 respectively. Neither the total unit costs nor the central government element include capital spending.

The unit costs for FE and HE students include both recurrent spending and support for capital expenditure. The HE unit costs exclude central Government spending on grants and loans.

Mr. Wilshire: To ask the Secretary of State for Education and Employment how much central Government money was spent per capita in 1998 in England on books and stationery in *(a)* primary schools and *(b)* secondary schools. [82209]

Ms Estelle Morris: In the 1998 calendar year, primary schools received three grants for reading books, averaging £1,000 per grant. During the same period, secondary schools received two £1,000 grants for reading books. Schools with less than 100 pupils received £10 per capita for each grant allocation. These grants represent substantial new funding and are in addition to funding made available to schools through the Local Management of Schools (LMS) arrangements.

Grant-maintained Schools

Mr. Collins: To ask the Secretary of State for Education and Employment what steps he is taking to ensure that pupils at former grant maintained schools secure the same increases in funding per individual as those in other state schools in *(a)* Cumbria and *(b)* England. [82183]

Ms Estelle Morris: Grant-maintained schools have previously enjoyed preferential funding, whereas the Government are committed to fair funding for all schools, continuing the process of phasing out unfair funding which the previous Government began in 1995–96. For 1999–2000, we have guaranteed that grant-maintained schools will be funded at the same level per pupil in cash terms as they were in 1998–99. Many will be funded at a higher level than that, where LEAs pass on the extra resources we have obtained for education directly to their schools, as my right hon. Friend the Secretary of State has urged them to do.

Correspondence

Mr. Collins: To ask the Secretary of State for Education and Employment when he will reply to the letter sent to him by Mr. T. A. Schofield, Bursar to Kirkbie Kendal school, Kendal, Cumbria on 16 April. [82185]

Ms Estelle Morris: The letter from the Bursar of Kirkbie Kendal School has been acknowledged by the Department, which is taking up the points made in the letter with Cumbria Local Education Authority. A full reply will be sent to Mr. Schofield as soon as possible.

Special Educational Needs

Mr. Soley: To ask the Secretary of State for Education and Employment how many schools in England and Wales, broken down by local education authority, there are where special educational needs children exceeded *(a)* 10 per cent., *(b)* 20 per cent., *(c)* 30 per cent., *(d)* 40 per cent., *(e)* 50 per cent. and *(f)* 60 per cent. of the total school population in the last year for which figures are available. [81608]

Ms Estelle Morris: The information requested for England is shown in the table.

For information for Wales, I refer my hon. Friend to my right hon. Friend the Secretary of State for Wales.

Numbers of nursery, primary, secondary, pupil referral units and independent schools by percentage of pupils with special educational needs[1] by local education authority area in England, January 1998

	Schools in England					
	10 per cent. and over	*20 per cent. and over*	*30 per cent. and over*	*40 per cent. and over*	*50 per cent. and over*	*60 per cent. and over*
England	14,148	8,178	2,613	903	366	209
North East	961	379	110	39	16	13
Hartlepool	32	8	3	2	1	0
Middlesbrough	44	17	7	2	1	1
Redcar and Cleveland	54	15	1	1	1	1
Stockton-on-Tees	57	17	4	1	1	1
Darlington	36	18	4	2	0	0
Durham	242	105	25	4	2	2
Northumberland	126	30	7	4	0	0
Gateshead	69	26	11	5	2	2
Newcastle-upon-Tyne	82	52	27	12	3	2

Numbers of nursery, primary, secondary, pupil referral units and independent schools by percentage of pupils with special educational needs[1, 3] by local education authority area in England, January 1998

	Schools in England[2]					
	10 per cent. and over	*20 per cent. and over*	*30 per cent. and over*	*40 per cent. and over*	*50 per cent. and over*	*60 per cent. and over*
North Tyneside	58	22	4	2	2	2
South Tyneside	57	25	7	1	1	1
Sunderland	104	44	10	3	2	1
North West and Merseyside	2,466	977	242	78	31	14
North West	2,005	765	176	51	22	8
Cheshire	359	125	29	8	3	0
Cumbria	244	84	16	4	3	2
Bolton	106	58	15	3	2	2
Bury	60	17	2	0	0	0
Manchester	134	51	15	5	1	0
Oldham	69	20	3	0	0	0
Rochdale	79	33	7	2	0	0
Salford	91	42	16	3	1	0
Stockport	102	45	14	5	2	1
Tameside	67	21	2	0	0	0
Trafford	58	20	3	1	1	0
Wigan	106	40	6	0	0	0
Lancashire	530	209	48	20	9	3
Merseyside	461	212	66	27	9	6
Knowsley	64	26	8	4	2	1
Liverpool	183	102	37	15	5	4
St. Helens	38	14	3	1	0	0
Sefton	78	33	8	2	0	0
Wirral	98	37	10	5	2	1
Yorkshire and Humber	1,729	624	184	52	21	9
East Riding of Yorkshire	89	18	1	0	0	0
City of Kingston-upon-Hull	93	55	21	5	2	1
North East Lincolnshire	73	48	25	8	4	3
North Lincolnshire	67	30	7	1	0	0
York	63	27	8	4	2	1
North Yorkshire	270	74	13	0	0	0
Barnsley	38	7	1	0	0	0
Doncaster	99	33	8	3	1	0
Rotherham	87	23	4	1	1	1
Sheffield	149	73	30	11	4	0
Bradford	197	71	22	5	3	1
Calderdale	73	16	5	2	0	0
Kirklees	125	37	5	0	0	0
Leeds	209	87	28	10	2	0
Wakefield	97	25	6	2	2	2
East Midlands	1,661	659	208	53	16	11
Derby	69	18	5	1	0	0
Derbyshire	239	41	6	1	0	0
Leicester City	99	54	23	8	2	1
Rutland	19	4	2	0	0	0
Leicestershire	238	72	14	2	0	0
Lincolnshire	280	95	20	5	3	2
Northamptonshire	311	179	75	18	3	1
Nottinghamshire	406	196	63	18	8	7
West Midlands	1,899	843	285	108	43	30
Hereford and Worcester	296	97	33	14	9	8
Shropshire	228	94	15	4	1	1
Stoke	57	11	2	1	1	1
Staffordshire	143	26	8	5	3	3
Warwickshire	234	153	58	21	6	3
Birmingham	364	170	52	14	6	4
Coventry	94	41	11	5	2	2
Dudley	87	31	10	4	3	2
Sandwell	130	93	31	14	4	3
Solihull	70	23	3	1	0	0
Walsall	85	23	12	1	0	0
Wolverhampton	111	81	50	24	8	3
Eastern	2,134	866	265	75	35	21
Luton	64	28	6	2	0	0
Bedfordshire	148	48	6	0	0	0
Cambridgeshire	297	151	51	15	7	3
Essex	554	170	36	10	3	2
Hertfordshire	458	238	86	18	6	3

Numbers of nursery, primary, secondary, pupil referral units and independent schools by percentage of pupils with special educational needs[1, 3] by local education authority area in England, January 1998

	Schools in England[2]					
	10 per cent. and over	*20 per cent. and over*	*30 per cent. and over*	*40 per cent. and over*	*50 per cent. and over*	*60 per cent. and over*
Norfolk	361	155	62	23	12	7
Suffolk	252	76	18	7	7	6
Greater London	2,205	1,161	356	122	58	33
Inner London	888	474	144	47	27	13
City of London	1	1	0	0	0	0
Camden	55	33	10	6	3	1
Hackney	68	40	11	2	2	1
Hammersmith and Fulham	49	29	7	3	1	1
Haringey	81	36	8	2	2	1
Islington	68	42	15	8	5	3
Kensington and Chelsea	38	16	4	1	1	1
Lambeth	86	46	19	4	1	0
Lewisham	84	57	19	4	3	0
Newham	66	22	4	1	1	1
Southwark	82	45	10	1	0	0
Tower Hamlets	88	40	8	4	1	1
Wandsworth	75	47	24	9	5	1
Westminster	47	20	5	2	2	2
Outer London	1,317	687	212	75	31	20
Barking and Dagenham	45	13	2	0	0	0
Barnet	116	81	30	14	3	2
Bexley	69	37	14	10	6	3
Brent	64	39	14	2	0	0
Bromley	77	37	8	1	0	0
Croydon	99	46	11	6	4	4
Ealing	77	34	10	5	3	3
Enfield	78	53	27	11	4	2
Greenwich	83	56	23	5	0	0
Harrow	59	23	0	0	0	0
Havering	71	22	3	1	1	0
Hillingdon	81	45	12	3	1	1
Hounslow	73	44	19	4	3	2
Kingston-upon-Thames	43	14	5	2	2	0
Merton	54	26	5	2	1	1
Redbridge	55	12	1	1	1	1
Richmond-upon-Thames	44	21	3	0	0	0
Sutton	48	25	4	1	1	1
Waltham Forest	81	59	21	7	1	0
South East	3,070	1,757	709	304	122	66
Berkshire	293	126	32	6	4	4
Milton Keynes	87	51	14	4	1	1
Buckinghamshire	183	69	21	7	4	3
Brighton and Hove	73	48	22	4	2	0
East Sussex	187	98	18	9	4	3
Portsmouth	58	46	21	12	7	2
Southampton	87	68	44	25	6	1
Hampshire	497	308	114	52	18	11
Isle of Wight	62	38	13	3	1	1
Kent	685	526	287	144	52	21
Oxfordshire	264	112	32	13	8	8
Surrey	319	135	52	18	11	8
West Sussex	275	132	39	7	4	3
South West	2,023	912	254	72	24	12
Bath and North East Somerset	70	26	7	1	0	0
City of Bristol	155	97	40	12	4	2
North Somerset	61	19	3	1	0	0
South Gloucesterhire	95	34	3	0	0	0
Cornwall	225	78	12	3	0	0
Isles of Scilly	2	0	0	0	0	0
Devon	414	162	31	7	3	1
Bournemouth	36	21	6	3	1	0
Poole	39	25	7	4	2	2
Dorset	180	125	43	12	4	2
Gloucestershire	256	113	34	11	5	1
Somerset	238	100	29	6	2	2
Swindon	72	35	14	6	2	1
Wiltshire	180	77	25	6	1	1

[1] Number of pupils with special educational needs (SEN) expressed as a percentage of all pupils in each school.
[2] Excludes Maintained and Non-Maintained Special Schools.
[3] Excludes dually registered pupils.

New Deal (Young People)

Mr. Willetts: To ask the Secretary of State for Education and Employment what proportion of all participants finding subsidised or unsubsidised work through the New Deal for Young People have found employment with *(a)* public sector employers and *(b)* private sector employers; and if he will make a statement on the relationship between these figures and Government targets. [79824]

Mr. Andrew Smith: To the end of January 1999, 14,000 clients had entered Subsidised Employment. The split of the jobs was 12 private sector jobs for each public sector job.

A comparable split cannot be provided for the 62,300 unsubsidised job starts as categorisation is available only by standard industrial classification, and then only for ES placings.

We have not set targets for the numbers of young people placed in the public or private sector, but have indicated that we would not expect the proportion moving into public sector jobs to exceed the share of public sector jobs available for the work force as a whole.

School Inspectors

Mr. Kidney: To ask the Secretary of State for Education and Employment what action he has taken to *(a)* increase the accountability of Ofsted school inspectors and *(b)* reduce unnecessary apprehension by teachers about inspections since 1 May 1997. [81651]

Ms Estelle Morris: We have agreed a number of changes with HM Chief Inspector of Schools since 1 May 1997 to improve the quality, consistency and value for money of the school inspection system. Those changes are contributing to increased accountability of school inspectors and should enable teachers to approach inspections with greater confidence. The changes include a reduction in the notice given for inspections from two terms to 6–10 weeks and short inspections for the most effective schools. The changes were widely welcomed in consultation. I have asked the Chief Inspector, Chris Woodhead, to write to my hon. Friend with further details of the changes and to place a copy of his letter in the Library.

TREASURY

Company Cars (Mileage)

Mr. Baker: To ask the Chancellor of the Exchequer how many company cars travelled *(a)* more and *(b)* less than 18,500 miles in the last year for which figures are available. [81266]

Ms Hewitt *[holding answer 19 April 1999]:* Annual mileage data are collected only for drivers whose company cars are available for private use. According to the latest National Travel Survey, there were an estimated 925,000 company car drivers whose total mileage was at least 18,500 miles per annum. This compares to 675,000 company car drivers whose total annual mileage was less than 18,500 miles per annum.

Disabled Persons Tax Credit

Mr. Sutcliffe: To ask the Chancellor of the Exchequer if he will make a statement about the proposed arrangements for transferring people from disability working allowance to the disabled persons tax credit. [79767]

Dawn Primarolo *[holding answer 19 April 1999]:* Recipients of Disability Working Allowance whose awards run out after the introduction of the Disabled Persons Tax Credit will be sent claim packs for the new tax credit in the same way that they would formerly have been sent a claim pack for renewal of their benefit.

Defence Budget

Mr. Keith Simpson: To ask the Chancellor of the Exchequer what representations he has received from the Secretary of State for Defence in respect of an increase in the defence budget. [81659]

Mr. Milburn *[holding answer 22 April 1999]:* My right hon. Friend the Secretary of State for Defence and I are keeping the additional costs of the Kosovo operation under close scrutiny.

Drugs Investigations

Mr. Hawkins: To ask the Chancellor of the Exchequer what changes there have been to numbers of HM Customs and Excise staff at Heathrow Airport since 1 May 1997 involved in investigations relating to drugs or other illegal items. [80986]

Dawn Primarolo: In May 1997, the number of HM Customs and Excise investigators based at Heathrow was 65. Since then, including a number of transfers of staff resulting from the closure of an office in Reading, the number has risen to 99. These staff deal with investigations relating to drugs, other prohibited goods and other customs and VAT frauds.

Fuel Duty (Northern Ireland)

Mr. William Ross: To ask the Chancellor of the Exchequer on how many litres of (i) petrol and (ii) diesel oil duty was paid in each quarter in each of the last three years and the current year up to 31 March, in respect of such fuels sold in Northern Ireland by *(a)* retailers and *(b)* wholesalers. [82196]

Ms Hewitt: Figures are shown in the table for total deliveries of petrol and diesel into Northern Ireland. There are no separate figures available for retailers and wholesalers. Figures for the first quarter of 1999 will not be available until towards the end of May.

Thousand litres of product	*Petrol (motor spirit)*	*Diesel (DERV fuel)*
1996		
Q1	169,927	112,645
Q2	176,020	110,162
Q3	170,604	104,134
Q4	170,875	115,127
1997		
Q1	168,167	108,153
Q2	170,875	113,590
Q3	145,690	90,305
Q4	146,774	87,468

Thousand litres of product	Petrol (motor spirit)	Diesel (DERV fuel)
1998		
Q1	135,806	91,841
Q2	142,035	71,629
Q3	147,586	76,239
Q4	138,650	83,922

Source:
Department of Trade and Industry

VAT Registration Threshold

Mr. Gibb: To ask the Chancellor of the Exchequer what is the real terms percentage increase in the VAT registration threshold since 1 May 1997. [81702]

Dawn Primarolo: The percentage increase in the VAT registration threshold in real terms since 1 May 1997 is 2 per cent.

Public Sector Cash Requirement

Mr. Gibb: To ask the Chancellor of the Exchequer if he will estimate the public sector net cash requirement for *(a)* 1998–99, *(b)* 1999–2000, *(c)* 2000–01, *(d)* 2001–02, *(e)* 2002–03 and *(f)* 2003–04. [81703]

Mr. Milburn: Figures published by the Office for National Statistics on 20 April showed a public sector net cash repayment of £7.4 billion in 1998–99. Forecasts of the public sector net cash requirement were published in table B26 of the Financial Statement and Budget Report.

EU Tobacco Taxes

Mr. MacShane: To ask the Chancellor of the Exchequer if he will list in euros the value of the tax and duty imposed on *(a)* 100 grammes of rolling tobacco and *(b)* 200 cigarettes in each EU member state. [81723]

Dawn Primarolo: The information is shown in the table.

It is not possible to provide a single figure for the duty and tax on hand-rolling tobacco because comparable data on the retail selling price, from which the VAT and ad valorem excise duty is calculated, are not available.

Member state	*100 grammes of rolling tobacco* Specific excise duty (euros)	*100 grammes of rolling tobacco* Ad valorem excise and VAT as per cent. of retail selling price, all taxes included (%)	*200 cigarettes* Tax and duty (euros)
Austria	0.0	63.7	17.1
Belgium	0.0	54.9	19.4
Denmark	5.3	20.0	32.7
Finland	0.2	68.0	28.5
France	0.0	68.1	22.1
Germany	1.5	31.9	18.9
Greece	0.0	74.3	14.0
Ireland	11.2	17.4	31.2
Italy	0.0	70.7	14.3
Luxembourg	0.0	42.2	12.4
Netherlands	1.9	30.1	17.4
Portugal	0.0	44.5	13.9
Spain	0.0	51.3	8.4
Sweden	7.5	20.0	30.1
UK	12.8	14.9	41.0

Source: European Commission (Directorate General XXI) Excise Duty Tables (December 1998)

Income Tax

Mr. MacShane: To ask the Chancellor of the Exchequer in what circumstances families with children and earnings of less than £235 a week will pay net income tax. [81724]

Dawn Primarolo: The Chancellor announced in his Budget Statement that the minimum income guarantee under the WFTC to every family with children and with full-time earnings would increase to £200 a week. He also said that no such family earning less than £235 a week would pay any net income tax from October 1999.

Family Incomes

Mr. MacShane: To ask the Chancellor of the Exchequer if he will list the weekly family disposable income, after tax, national insurance, child benefit and maintenance payments are taken into account of (i) a lone parent with two children under 11 in receipt of maintenance payments of £40 a week, (ii) a lone parent with two children under 11 not in receipt of maintenance payments, (iii) a single-earner married couple with two children under 11 and (iv) a two earner married couple with two children under 11 earning in each case *(a)* £150 a week and *(b)* £250 a week and where the incomes of the two-earner couple are split in the ratio 80:20. [81726]

Dawn Primarolo: The available information, which shows weekly disposable (net) income after tax (including Child Benefit and Working Families Tax Credit), National Insurance Contributions and maintenance payments at the specified levels of earnings, is given in the table. The figures are shown for 1999–2000 and take account of all changes announced in the 1998 and 1999 Budgets which come into force in 1999–2000.

From October 1999 the WFTC will provide help with child care costs. The child care tax credit will be worth 70 per cent. of eligible child care costs, subject to maximum child care costs of £100 a week for families with one child and £150 a week for families with two or more children. To ensure that parents with older and disabled children also benefit, the age limits on children for whom parents can claim help with child care costs will be raised to 14, and for disabled children up to age 16.

£ per week

	Gross income	*Net income*
Lone Parent with 2 children under 11 in receipt of £40 pw maintenance payments	150.00	276.77
	250.00	306.92
Lone Parent with 2 children under 11 not in receipt of maintenance payments	150.00	236.77
	250.00	266.92
Single Earner Married Couple with 2 children under 11	150.00	236.77
	250.00	266.92
Two Earner Married Couple with 2 children under 11 (income split 80:20)	150.00	241.22
	250.00	274.34

Notes:
1. Income tax payments are calculated on the basis that the households receive no tax reliefs other than the standard allowances and have income only from employment. All earners, including wives, are assumed to pay Class 1 national insurance contributions at the contracted-in rate.
2. Child Benefit is treated as negative income tax.
3. WFTC calculations assume no child care costs.
4. Lone parents are assumed to be new claimants after April 1998.

Charrington Case

Mr. Stuart Bell: To ask the Chancellor of the Exchequer when he expects to announce the findings and recommendations of the inquiry under the chairmanship of Sir Gerald Hosker into the Charrington case; and if he will make a statement. [82148]

Dawn Primarolo: Sir Gerald Hosker is still working on his Inquiry. I will announce the findings as soon as possible after he has presented his report to the Chairman of the Commissioners of HM Customs and Excise.

Debt Relief

Ms Drown: To ask the Chancellor of the Exchequer what response his Department has given to the proposal of Jubilee 2000 for a concordat on levels of debt cancellation and how funds released should be spent; and if the Government will discuss this proposal with other creditors to secure agreement for substantial debt cancellation by the end of 1999. [82003]

Ms Hewitt: Departmental officials have attended several discussions of Jubilee 2000's proposals, including a round-table seminar organised by Jubilee 2000 and a HIPC Review Consultation Meeting held by the World Bank. We shall certainly take part in any future discussions with other creditors on these proposals.

Ms Drown: To ask the Chancellor of the Exchequer if he will make a statement on the progress of the Commonwealth debt initiative, set out in his Mauritius speech, indicating which countries have received debt relief and the level of that relief. [82005]

Ms Hewitt: Seven countries have qualified for debt relief packages under the World Bank/IMF's Heavily Indebted Poor Countries (HIPC) initiative and three countries—Ethiopia, Guinea-Bissau and Mauritania—would be expected to qualify based on preliminary discussions. Uganda and Bolivia have received assistance at completion point, of $347 million and $448 million respectively. Assistance has been committed for Burkina Faso ($115 million), Guyana ($253 million), Cote d'Ivoire ($345 million), Mozambique ($1,442 million), and Mali ($128 million), and is predicted for Guinea-Bissau ($300 million), Ethiopia ($636 million) and Mauritania ($271 million).

Tax and Spending Leaflets

Mr. Gibb: To ask the Chancellor of the Exchequer, pursuant to his answer of 21 April 1999, *Official Report*, column *588*, on household leaflets, if he will break down the £1.5 million cost referred to between *(a)* printing and *(b)* postage. [82203]

Dawn Primarolo: Printing costs would be approximately £0.5 million. Other costs, including distribution and postage would account for the remainder of the cost.

Red Book

Mr. Gibb: To ask the Chancellor of the Exchequer, pursuant to his answer of 21 April 1999, *Official Report*, column *588*, if civil servants reviewed the Red Book to ensure objectivity. [82188]

Dawn Primarolo: I refer the hon. Member back to the reply I gave on 21 April.

Unpaid Taxes

Mr. Denzil Davies: To ask the Chancellor of the Exchequer what response the Government have made to the European Commission's proposal to extend the provisions of Directive 76/308/EEC to allow the recovery between member states of unpaid taxes on income and capital. [81789]

Dawn Primarolo: An Explanatory memorandum on the European Commission's proposal to extend the provisions of Directive 76/308/EEC was laid before Parliament on 24 July 1998. European Council working group meetings, at which the proposal would be discussed, have not yet commenced.

Public Expenditure (Scotland and Wales)

Mr. Heathcoat-Amory: To ask the Chancellor of the Exchequer if he will list the additional public expenditure items which the Government have announced for *(a)* Scotland and *(b)* Wales since January 1998. [80884]

Mr. Milburn: Public expenditure allocations were made to Scotland and Wales for 1999–2000 to 2001–02 in the Comprehensive Spending Review and published in "Modern Public Services for Britain: Investing in Reform" (Cm 4011), a copy of which is available in the Library.

Further increases to the Departmental Expenditure Limits for Scotland and Wales have been made following successful bids to the Invest to Save Budget (ISB) and the Capital Modernisation Fund (CMF). A breakdown of ISB and CMF awards to Departments can be found in tables 1.8 and 1.9 respectively of Public Expenditure Statistical Analyses 1999–2000 (Cm 4201).

Census Returns

Mr. John M. Taylor: To ask the Chancellor of the Exchequer if that part of section 9.21 of the Open

Government White Paper of 1993 (Cm 2290) relating to the closure of census returns for England and Wales represents current Government policy. [81791]

Ms Hewitt: The legislation covering the closure of census returns represents current Government policy. Census Returns form 1901 and 1911 are closed to the public for 100 years by virtue of Instrument 12 dated 1966 of the Public Records Act 1958. Censuses from 1921 onwards were taken under the terms of the Census Act 1920 as amended by the Census (Confidentiality) Act 1991 which gives protection to personal census information given by the public.

The Open Government White Paper section 9.21 accurately describes the position with respect to those census returns in the custody of the Public Record Office.

Taxes (Inquiry Notices)

Mr. Gibb: To ask the Chancellor of the Exchequer (1) how many section 9A Taxes Management Act 1970 inquiry notices relating to 1996–97 dated prior to 31 January were sent to taxpayers on or after 31 January; [80251]

(2) what proportion of section 9A Taxes Management Act 1970 inquiry notices relating to 1996–97 were issued in January. [80252]

Dawn Primarolo: Approximately 20 per cent. of all inquiries into 1996/97 self-assessment tax returns were taken up during January 1999. The Inland Revenue do not record the actual dates on which notices are posted to taxpayers and it is therefore not possible to say whether any notices dated before 31 January 1999 were sent on or after that day. However, notices are normally posted on the date which they bear.

Small Businesses

Mr. Gibb: To ask the Chancellor of the Exchequer if he will estimate the number of businesses with fewer than 17 employees. [81706]

Ms Hewitt: The information requested falls within the responsibility of the Director of the Office for National Statistics. I have asked him to reply.

Letter from Tim Holt to Mr. Nick Gibb, dated 26 April 1999:

As Director of the Office for National Statistics (ONS), I have been asked to reply to your recent parliamentary question on employment.

There are 1.75 million VAT and PAYE based businesses in the UK with less than 17 employees, as at April 1999. It is estimated that there are a further 1.8 million smaller businesses without employees and with low turnovers.

Information is provided from the Inter Departmental Business Register (IDBR), which is administered by the ONS. The register contains details for all businesses in the UK that are traders registered for VAT and/or employers with PAYE schemes.

The ONS annual employment survey is the main source for the number of employees. For businesses that are not selected for this inquiry, employee estimates are obtained through employer PAYE returns. If the business is registered only for VAT, the business will generally have no employees. Such businesses without employees are included in the above counts. Smaller businesses without employees and not registered for VAT are excluded from these counts.

More detailed information on businesses registered for VAT is published annually by the ONS in *Size Analysis of UK Businesses (PA1003)*, most recently for 1998. Broad estimates for all businesses are published by the Department of Trade and Industry, based on the IDBR, in *Small and Medium Enterprise (SME) Statistics for the UK*, latest version for 1997. Both publications are available in the House of Commons Library.

CABINET OFFICE

Business Regulation (Compliance Costs)

Mr. Bercow: To ask the Minister for the Cabinet Office if he will publish an annual estimate of the total costs of compliance with statutory regulations to *(a)* all United Kingdom businesses and *(b)* United Kingdom businesses with fewer than 100 employees. [81645]

Mr. Kilfoyle: No. The Government do not, and do not intend to, publish estimates in the form requested. Individual Regulatory Impact Assessments are already placed in the Libraries of the House.

Costs in isolation are misleading and they should not be aggregated. Regulations bring benefits as well as costs. The Government's approach is designed to ensure that regulations are introduced only where necessary and that they follow the principles of transparency, accountability, targeting, consistency and proportionality.

The approach also includes a specific assessment of the impact on small businesses. In addition, my right hon. Friend the Secretary of State for Trade and Industry recently announced the introduction of the Small Business service to be a strong voice for small business and to provide practical assistance to cut the burdens of compliance.

TRADE AND INDUSTRY

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Trade and Industry how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81193]

Mr. Byers: Statistical work is undertaken by a range of specialisms such as Research Officers, Social Survey Officers and Economists. Within this Department there are[1]:

3 Senior Civil Servants

4 Grade 6s

25 Grade 7s

13 Assistant Statisticians employed as "professional" Statisticians all of whom have been recruited via CSSB.

In addition our Department employs:

7 Statistical Officers

1 Grade 7 undertaking statistical duties.

These figures do not include staff on loan, secondment, career break or unpaid special leave.

Three of our "professional" Statisticians have been granted Chartered Statistician Status by the Royal Statistical Society.

[1] For the purposes of fair comparison DTI's original grading system has been used in this answer.

EU Structural Funds

Mr. Chope: To ask the Secretary of State for Trade and Industry when the assisted areas map was submitted to the European Commission; and if he will make a statement. [80589]

Mr. Wills: *[holding answer 13 April 1999]:* Further to the reply I gave the hon. Member and the hon. Member for Torbay (Mr. Sanders) on 16 April 1999, *Official Report*, column *367*, proposals for the assisted areas map have not yet been sent to the Commission. The Government are considering the proposals they will make. They will submit these as soon as it is ready to do so.

Miss McIntosh: To ask the Secretary of State for Trade and Industry what were the results of his Department's August 1998 consultation exercise on the criteria to be applied in the designation of Objective 2 areas. [81914]

Mr. Wills: As part of the on-going consultation process throughout the Structural Fund negotiations, the Government asked regions and local areas informally, in July 1998, for an indication of their priorities for Objective 2 eligibility. Over fifty local and regional partnership organisations provided information, as well as national bodies and interested Departments.

Two broad conclusions emerged from the responses to the consultation exercise. First, for areas of real need to be targeted, the provisions covering Objective 2 in the Structural Funds regulation must be sufficiently flexible to encompass a wide variety of circumstances. Secondly, there was a degree of similarity in the broad priorities put forward, including employment and labour market measures, the degree of social cohesion, geographical issues, and measures of poverty.

Miss McIntosh: To ask the Secretary of State for Trade and Industry by what means he plans to achieve a target population in compliance with the four strands within Objective 2. [81918]

Mr. Wills: The UK population for Objective 2 is set by the safety net which maintains two-thirds of the existing Objective 2 and 5b coverage. Within the safety net, the Government will seek to target Objective 2 on the basis of need.

A maximum of 18 per cent. of the European Union's population will be covered by the new Objective 2. The breakdown by strand for Objective 2 of 10 per cent. to industrial areas, 5 per cent. to rural, 2 per cent. to urban and 1 per cent. to fisheries is indicative at EU level, not Member State level.

Miss McIntosh: To ask the Secretary of State for Trade and Industry for what reasons the consultation paper issued by his Department on 30 March, on the criteria to be applied in the designation of Objective 2 areas, asks the same questions as the consultation exercise in August 1998. [81919]

Mr. Wills: The informal consultation launched in July 1998 was to gain local and regional views to assist the Government in developing their policy for negotiations for Objective 2 funding.

The consultation paper issued on the 30 March seeks views from interested parties on the designation of eligible UK areas under Objective 2. These should include comments on the geographical area; the NUTS level; and the criteria that might be used. This consultation is to assist the Government in determining a list of eligible areas for objective 2 funding post—1999.

Miss McIntosh: To ask the Secretary of State for Trade and Industry (1) if he will list the areas submitted to the EU Commission at the end of March for consideration as assisted areas; [81917]

(2) what differences there will be between the Assisted Areas map and the Objective 2 map in the UK for 1999 to 2004. [81916]

Mr. Wills: Proposals for the Assisted Areas map have not yet been sent to the Commission. The Government are considering the proposals they will make. They will submit these as soon as it is ready to do so.

A consultation paper on the review of the Structural Funds was issued on 30 March, seeking views from interested parties on the designation of eligible UK areas under Objective 2. The final date for comments is 25 May. Ministers will then have to decide on the proposed areas to be submitted to the Commission. Until this time we are not in a position to say what the final Objective 2 Structural Funds map will be, and therefore what differences there will be between the Assisted Areas and Objective 2 maps.

Export Credits Guarantee Department

Ms Drown: To ask the Secretary of State for Trade and Industry how much debt was owed to the Export Credits Guarantee Department by each individual debtor country on 31 December 1998. [82004]

Mr. Wilson: As at 31 December 1998, the amounts, including arrears, owed to ECGD under Bilateral Debt Agreements stemming from Paris Club reschedulings were:

Country	*£ million*
Nigeria	3,445.1
Poland	896.4
Russia	602.7
Brazil	523.7
Jordan	337.8
Sudan	326.2
Zambia	238.3
Egypt	184.8
Serbia	180
Algeria	164.6
Peru	155.4
Congo	138.8
DRC	138.6
Gabon	130.2
Tanzania	117.3
Angola	105.6
Mozambique	90.1
Cuba	76.9
Croatia	80
Cameroon	69.6

Country	£ million
Mexico	65.5
Ecuador	54.7
Argentina	62.6
Morocco	55.3
Guyana	43.9
Indonesia	42.5
Kenya	35.3
Somali	27.3
Madagascar	27.2
Philippines	23.8
C d'Ivoire	22.3
Liberia	14.6
Togo	14.8
Bulgaria	13.5
Ethiopia	11.7
Bolivia	11.5
Niger	10.8
Vietnam	10.4
Mauritania	6.7
Uganda	5.6
Guinea	5.3
Macedonia	4.5
Bosnia	5.1
Mali	4.1
Sierra Leone	3.6
Trinidad	3.1
Yemen	3.1
Benin	2.7
Jamaica	2.9
Ghana	2.1
Senegal	1.5
Nicaragua	1
Bur. Faso	0.97
Malawi	0.69
C A Rep	0.36
Costa Rica	0.12

Thorne Lighting Plants

Mr. Keetch: To ask the Secretary of State for Trade and Industry what *(a)* grants and *(b)* subsidies are available to the two current Thorne Lighting plants, at Hereford and Spennymore; and if he will make a statement. [81563]

Mr. Wills: The main DTI programme for supporting companies is Regional Selective Assistance, under the Industrial Development Act 1982. The plant in Spennymoor is in a Development Area and is eligible to receive such assistance. The Hereford plant is not in an Assisted Area, and is therefore not eligible for support under the Regional Selective Assistance Scheme.

Motor Vehicle Fuel

Dr. Ladyman: To ask the Secretary of State for Trade and Industry what estimate he has made of the quantity of *(a)* petrol and *(b)* diesel fuel used in the UK by all motor vehicles in each of the last 10 years. [82437]

Mr. Battle: The data are given in the table

Total deliveries into consumption in the UK

Thousand tonnes

Year	Motor spirit	Diesel (DERV) fuel
1989	23,924	10,118
1990	24,313	10,652
1991	24,022	10,694
1992	24,044	11,132
1993	23,766	11,806
1994	22,843	12,914
1995	21,953	13,457
1996	22,409	14,365
1997	22,252	14,976
1998	21,848	15,129

Telecommunications Council

Mr. Maclean: To ask the Secretary of State for Trade and Industry if he will publish the agenda for the EU Telecommunications Council of 22 April. [79573]

Mr. Wills: The agenda read as follows:

Proposal for a European Parliament and Council Directive on a common framework for electronic signatures: Common Position.

"Year 2000 Computer Problem": Council Resolution.

State of the EU Telecommunications Market: Debate

Commission Communication on Convergence of Telecommunications, Media and Information Technology Sectors, and the Implications for Regulation—Results of Public Consultation and Proposed Actions: Commission presentation and Council Conclusions.

Commission Green Paper on Radio Spectrum Policy: Information from Commission on Public Consultation.

Commission Green Paper on Access to Public Sector Information: Commission presentation.

Globalisation and the Information Society: Information from the Commission.

Internet Domain Names: Information from the Commission

Renewable Energy

Mr. Maclean: To ask the Secretary of State for Trade and Industry (1) what factors underlay the setting of a renewable energy target of 10 per cent; [81783]

(2) what is his estimate of the potential contribution of each renewable energy source to meeting a target of 10 per cent. of total energy supply from renewable sources. [81782]

Mr. Battle: The Government published a consultation paper "New and Renewable Energy: Prospects for the 21st Century" on 30 March 1999, which outlines the Government's policy. Key factors underlying that policy include putting the environment at the heart of their decision making. Climate change is recognised as one of the greatest environmental threats facing the world today. Prudent use of natural resources, including renewable energy sources, is one of the Government's objectives. Energy from renewable energy sources is clearly an important element in securing both the diversity and sustainability objectives and has the potential to be supplied on an increasing scale at competitive prices. In line with their Manifesto commitment to "a new and

strong drive for new and renewable sources of energy", the Government are working towards a target of renewable energy providing 10 per cent. of UK electricity supplies as soon as possible. They hope to achieve this by 2010. It would require of the order of 3–4 GW (Declared Net Capacity) of new plant in addition to that already contracted to achieve that.

The technologies expected to contribute by 2010 are wastes (municipal, industrial and agricultural), wind (onshore and offshore), hydro, landfill gas and energy crops. The proportions of each will depend upon a number of factors including the extent of technical development and future fuel prices.

Other technologies such as photovoltaics have the potential to make major contributions to world energy needs in the longer term if their development continues and energy companies announce their intention of moving into this market on a significant scale.

Multilateral Agreement on Investment

Ms Walley: To ask the Secretary of State for Trade and Industry what progress has been made towards negotiating an agreement on investment since the ending of negotiations on the Multilateral Agreement on Investment. [81616]

Mr. Wilson: The UK, and the EU as a whole, have called for investment to be on the agenda of a future round of negotiations in the World Trade Organisation (WTO). Decisions on the content of that agenda will be taken at the WTO ministerial meeting in Seattle later this year. In the meantime, the UK is participating in the analytical work of the WTO Trade and Investment Working Group and the parallel work in the UNCTAD Expert Meetings on International Investment Agreements.

Ms Walley: To ask the Secretary of State for Trade and Industry if he will make it his policy to ensure that social, environmental and development issues are given high priority in future discussions on developing an international agreement on investment. [81617]

Mr. Wilson: The Government are committed to ensuring that, within any new framework for international investment, full account is taken of social, environmental and development concerns.

World Trade Organisation

Ms Walley: To ask the Secretary of State for Trade and Industry what assessment he has made of the European Commission document I G 1/98 prepared by DG1 for a meeting of the EU Council's Article 113 Committee, and if he will make a statement. [81627]

Mr. Wilson: I refer my hon. Friend to the response I gave on 23 February 1999, *Official Report*, column *201*, to my hon. Friend the Member for Bury, North (Mr. Chaytor).

Inward Investment

Mr. Wigley: To ask the Secretary of State for Trade and Industry if a concordat has been agreed between his Department, the Scottish Office, Welsh Office and Northern Ireland Office, concerning inward investment. [81925]

Mr. Wills *[holding answer 23 April 1999]:* The concordat on financial assistance is one of a number of concordats which will be discussed and concluded between United Kingdom Departments and the devolved Administrations in Scotland, Wales and Northern Ireland once they are established.

Knitting Machine Mechanics and Technicians

Mr. Woolas: To ask the Secretary of State for Trade and Industry what assessment he has made of the impact on the clothing and textile industry of the proposed closure of the National Training Centre for Knitting Machine Mechanics and Technicians. [81739]

Mr. Battle: I assume that the National Training Centre referred to by my hon. Friend is the knitting facility at the North Warwickshire college in Hinckley, Leicestershire, which I understand has taken the decision to close its textile faculty based on the lack of support from the industry.

News of closure is never welcome, particularly when the industry itself is under such pressure. However, there are many other educational institutions in the region who provide a high level of training in this area. DeMontfort, Derby and Nottingham Trent universities all offer various forms of technical training in knitting and a centre of excellence has been set up in North Nottinghamshire by West Notts College and New College Nottingham. The impact on the industry of the Hinckley closure is therefore likely to be negligible.

HOME DEPARTMENT

Asylum Seekers

6. **Mr. Randall:** To ask the Secretary of State for the Home Department what estimate he has made of the number of people likely to seek asylum in Britain over the next 12 months. [80055]

Mr. Mike O'Brien: For a number of reasons, including the situation in Kosovo, it is very difficult to estimate the numbers likely to claim asylum in the next year. The figure could be in the range of 52,000 to 62,000, if we take into account all the potential applicants from countries where there may be upheavals.

13. **Mr. Robathan:** To ask the Secretary of State for the Home Department what estimate he has made of the number of asylum seekers, refused asylum by his Department, who have remained illegally in the United Kingdom over the last five years. [80067]

Mr. Mike O'Brien: At the end of November 1998 the number of failed asylum seekers who had either not appealed against the refusal of asylum or who had exhausted their rights of appeal and who were the subject of port or enforcement action was estimated to be 24,000. This figure does not include applicants whose claims had been refused, but who were not yet subject to enforcement action.

Mr. Corbyn: To ask the Secretary of State for the Home Department how many asylum seekers entered the United Kingdom for each month since January 1998; and of those how many were *(a)* granted asylum, *(b)* granted leave to remain and *(c)* refused the right to remain. [81981]

Mr. Mike O'Brien: The available information is given in the table. Decisions on asylum applications may not relate to the same cases within each period.

Total asylum applications[1] received in the United Kingdom, excluding dependants, and initial decisions on applications[2], January 1998—February 1999.

Principal applicants

Year	*Total applications*	*Total decisions*	*Grants of asylum*	*Grants of ELR*	*Total refusals*	*Backlog clearance ELR*[3]	*Backlog clearance Refusals*[3]
January 1998	2,860	3,065	705	230	2,130	—	—
February 1998	2,650	3,035	405	390	2,240	—	—
March 1998	3,200	3,070	375	425	2,270	—	—
April 1998	3,135	2,520	350	320	1,850	—	—
May 1998	3,110	2,360	420	250	1,690	—	—
June 1998	3,575	2,675	580	305	1,790	—	—
July 1998	4,215	2,710	435	435	1,840	—	—
August 1998	4,420	2,480	505	380	1,595	—	—
September 1998	4,455	2,825	480	460	1,885	—	—
October 1998	5,010	3,255	630	340	2,290	—	—
November 1998	4,620	2,780	415	265	2,100	—	—
December 1998	4,770	800	50	110	645	—	—
January 1999	4,700	575	15	135	425	420	—
February 1999	4,185	740	35	110	600	535	—
Total	54,900	32,885	5,395	4,155	23,340	955	—

Provisional figures rounded to nearest 5, with "*"=1 or 2
Decisions on asylum applications may not relate to the same cases within each period
Cases decided under pragmatic measures aimed at reducing the pre '93 act asylum backlog

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department what admittance criteria are applied to those seeking asylum in the United Kingdom as result of the Kosovo crisis. [82065]

Mr. Mike O'Brien: We have agreed with the United Nations High Commissioner for Refugees (UNHCR) that any recommendations for evacuation from the region should be co-ordinated through the office of the UNHCR. They will give priority to medical cases, other vulnerable persons, and the support of family unity, and make recommendations to the Home Office for consideration.

Asylum seekers from Kosovo who arrive in the United Kingdom independently will be admitted pending consideration of their claims in accordance with the 1951 Geneva Convention, in the usual way.

Police Manpower

12. **Mrs. Laing:** To ask the Secretary of State for the Home Department when he last met the President of the Association of Chief Police Officers to discuss police manpower [80961]

Kate Hoey: My right hon. Friend the Home Secretary meets the President of the Association of Chief Police Officers regularly both at the Home Office and at police events when a range of issues are discussed, including police resources.

Mr. Simon Hughes: To ask the Secretary of State for the Home Department how many police officers in *(a)* England and *(b)* Wales he expects to be in post at the end of the current financial year [80959]

Kate Hoey: The number of police officers in each force is entirely a matter for local determination on the basis of available resources and spending priorities. In 1999–2000, police authority budgets in England and Wales will increase on average by 3.1 per cent. over last year. These increases, along with the 2 per cent. efficiency improvement targets that have been set, should be sufficient to maintain existing levels of service.

Young Offender Institutions

23. **Dr. Cable:** To ask the Secretary of State for the Home Department if he will make a statement on conditions in young offender institutions in England and Wales. [80974]

Mr. George Howarth: Conditions in young offender institutions in England and Wales vary greatly between, and even within, some establishments. Some are of a high standard while others are in need of considerable improvement. The Government have demonstrated their commitment to improve conditions by, for example, the provision of an additional £51 million over three years for the under-18 estate and its regimes, and through the inclusion of 12 young offender institutions in the welfare-to-work initiative.

Volunteers (Criminal Records)

24. **Dr. Julian Lewis:** To ask the Secretary of State for the Home Department if he will make a statement about the cost to voluntary organisations of obtaining access to criminal records of applicants to work with young people [80975]

Mr. Boateng: We have received representations on this issue from a number of voluntary organisations. We considered very carefully whether there was any way in

which free checks could be provided for volunteers. Whilst we acknowledge the very valuable contribution volunteers make, we have concluded that it will not be practicable to provide any free checks from the Criminal Records Bureau for volunteers or for any other groups. We realise that this is unwelcome news, but providing free checks would prove an unsustainable burden on the public purse and may increase demand for certificates from the Bureau to an uncontrollable extent. In addition, we do not consider it would be fair to allow volunteers to have free certificates when there are other equally deserving groups such as school leavers, the unemployed and disabled people. The level of fees for certificates from the Bureau will be kept to the minimum necessary to recoup costs.

Equal Opportunities

26. **Dr. Harris:** To ask the Secretary of State for the Home Department what assessment he has made of the effect on equal opportunities and racial equality at work of his proposal to make employers liable for the immigration status of their employees. [80977]

Mr. Mike O'Brien: There have been reports that some employers may be adopting discriminatory practices when seeking to secure a defence under section 8 of the Asylum and Immigration Act 1996. The Government share the concern of the Commission for Racial Equality and others at the substance of the reports, whilst recognising that such action may not be directly attributable to section 8.

Proposals at Clause 13 of the Immigration and Asylum Bill, currently before Parliament, are designed to strengthen the safeguards against possible discriminatory practices. They re-emphasise to employers their statutory duty to avoid racial discrimination in their recruitment practices when seeking to secure the statutory defence.

Scout Movement

27. **Mr. Colvin:** To ask the Secretary of State for the Home Department what estimate he has made of the additional costs which will have to be borne by the Scout movement as a result of his proposal to establish and fund a criminal records bureau for England and Wales. [80978]

Mr. Boateng: I have not made an estimate of any additional costs which might accrue to the Scout movement as a result of checks which may be carried out with the Criminal Records Bureau. I understand that the Scout Association has estimated that additional costs of £750,000 per year will accrue to them, but I have no knowledge of the basis on which they have reached this estimate.

Probation Service

28. **Mr. David Heath:** To ask the Secretary of State for the Home Department if he will make a statement on his plans to reform the Probation Service. [80979]

Kate Hoey: Following a public consultation, we have decided to create a new, unified Probation Service for England and Wales, comprising 42 local operational areas that will match the police force area boundaries. The new Service will include the following key elements:

The day-to-day running and management of the service in each area will be, as now, in the hands of chief probation officers, but they will be employed and appointed by the Home Office; and led by a Director;

A local Probation Board will supervise the work of the service in each area within the national framework;

The Chairman of each Board will be appointed and paid by the Home Office, and the appointment of individual members of Boards will be approved by the Home Office;

Chief Probation Officers will be members of these Boards;

The Boards will have a more strategic role and a more diverse composition, and will be more representative of the wider criminal justice system and the wider community;

The Boards will employ, as probation committees do now, the remainder of the probation service staff.

There will be a light regional touch, which the Prison Service is also planning to reflect in its future management structure, enabling that Service to match groups of police force areas;

The new Probation Service will be entirely funded by central Government, ending the current arrangements whereby local authorities make a contribution of 20 per cent.;

The Home Secretary of the day will take full responsibility for the performance of the service and be accountable to Parliament for it; and

The Home Secretary of the day will take greater powers to direct necessary outcomes and standards of service delivery.

Some elements of these proposals require primary legislation which will be introduced when Parliamentary time permits. With the Lord Chancellor and the Secretaries of State for Health and for Wales, I have also been considering the future organisation of court welfare services, including work that is currently undertaken by the probation services for the family courts. We expect to announce decisions on the way forward shortly.

Referendum Campaigns

29. **Mr. Day:** To ask the Secretary of State for the Home Department when he intends to implement the recommendations of the Neill committee on the conduct of referendum campaigns. [80980]

Mr. Straw: We intend to publish our response to the Committee's report in the form of a draft Bill before the Summer Recess; and we hope to have new arrangements in place by the time of the next general election.

Community-oriented Sentences

30. **Mr. Bennett:** To ask the Secretary of State for the Home Department what measures he is taking to encourage the use of community-oriented sentences. [80981]

Mr. Boateng: Community sentences have a role to play in preventing crime and tackling offending behaviour. They are a crucial part of the Government's sentencing strategy.

We are developing a portfolio of supervision programmes evidentially proven to be effective, which can be implemented nationwide, and, jointly with the Prison Service, systems for accrediting programmes and assessing offenders' risks and needs.

It is important that community penalties are rigorously enforced. We have therefore issued further guidance to probation services and will look to tighten enforcement requirements in Probation Service National Standards, which are currently being reviewed.

Electoral Registration

31. **Mr. Barnes:** To ask the Secretary of State for the Home Department if he will make a statement concerning the reform of electoral registration procedures and practices. [80982]

Mr. Straw: Electoral registration procedures, including encouragement of registration, public access to the register, and a proposed new system of rolling registration, are being considered by my Working Party on Electoral Procedures. The Working Party will present its final report later this year.

Millennium (Liquor Licensing Hours)

32. **Mr. Illsley:** To ask the Secretary of State for the Home Department what proposals he has for amending liquor licensing hours on 31 December 1999; and if he will make a statement. [80983]

Mr. George Howarth: A proposed order was laid on 13 April. If approved by Parliament, this will extend normal licensing hours overnight each New Year's Eve until normal opening time on each New Year's Day, beginning with the millennium. There would be no requirement on operators to open at any particular time; it would be for them to judge whether or not to stay open and for how long.

The legislation would allow licensing authorities to impose appropriate restrictions on opening hours where it is shown that later opening is likely to lead to nuisance or disturbance. Applications for such restrictions could be made by the police, a local authority or an individual resident, or someone acting on their behalf.

Subject to Parliamentary approval, this change would come into force this summer, so that businesses could complete their planning for the coming New Year.

Crime and Disorder Strategies

34. **Mr. Bill O'Brien:** To ask the Secretary of State for the Home Department if he will make a statement on progress in establishing local crime and disorder strategies. [80985]

35. **Mr. Casale:** To ask the Secretary of State for the Home Department if he will make a statement on progress in establishing local crime and disorder strategies. [80987]

Mr. Boateng: The Crime and Disorder Act 1998 required the local authority and police in every area to formulate, by 1 April 1999, a strategy for the reduction of crime and disorder over the next three years. Therefore, all local crime and disorder reduction partnerships—over 400 of them in England and Wales—should now have strategies in place and be starting to implement them.

Police Funding

36. **Mr. Sutcliffe:** To ask the Secretary of State for the Home Department what discussions he has had with police authorities on the funding of policing in the poorest neighbourhoods. [80988]

Mr. Boateng: In discussions with Ministers on funding issues, police authorities have recognised that the allocation of resources and the deployment of officers within the force area are matters for determination locally within the overall budget. Police authority budgets are set to increase on average by 3.1 per cent. in 1999/2000. In addition, local authorities can make grants to police authorities for additional policing services in particular neighbourhoods.

In addition, we recently announced the shortlist of the first eleven targeted policing projects under the crime reduction programme. These projects are worth about £5 million in total out of the £32 million which will be made available for targeted policing over the next three years as part of the programme. Ministers recognise the importance of ensuring that deprived and disadvantaged neighbourhoods are amongst those who benefit from these and other crime reduction initiatives.

Mr. Todd: To ask the Secretary of State for the Home Department what assessment he has made of the relationship between funding of police forces, the number of officers directly serving the public and a force's performance. [80984]

Mr. Boateng: The Annual Audit Commission report on Police Performance, published in January, found that there is no direct link between increased spending and improved performance in police forces. The report also showed that success in detecting crime does not depend solely on the numbers of police officers available.

Partnerships between the police and other agencies, targeted policing, better use of information technology, and the efficient and effective use of available resources all have an important part to play in improving police performance. As part of the drive towards Best Value, we are working with the police service to strengthen the link between increased spending and improved performance.

Anti-social Behaviour Orders

Mr. Jenkins: To ask the Secretary of State for the Home Department what response he has received from local crime and disorder partnerships to the introduction of anti-social behaviour orders. [80956]

Kate Hoey: The provisions relating to anti-social behaviour orders came into effect on 1 April 1999. It is therefore too early to know what use local crime and disorder partnerships will make of them. I understand, however, that a number of partnerships are actively considering them as tools in their crime strategies.

Bail Support

Dr. Cable: To ask the Secretary of State for the Home Department what funding allocation his Department has made for the development of local bail support provision for 1999–2000 and the following two years. [81636]

Mr. George Howarth: The Youth Justice Board for England and Wales, established under section 41 of the Crime and Disorder Act 1998, is responsible for administering a fund of £85 million over three years from April 1999 for the development by local authorities and other bodies of good practice in the operation of the youth justice system, the provision of youth justice services and other work to prevent offending by children and young people. It is expected that £35 million of the fund will be used to develop bail support and supervision schemes and other remand-related initiatives.

Coroners

Dr. Lynne Jones: To ask the Secretary of State for the Home Department when he expects the model charter for coroners courts to be made available. [82175]

Mr. George Howarth: We expect to be in a position to issue the model charter as a framework guide to coroners and their Councils later in the summer.

Dr. Lynne Jones: To ask the Secretary of State for the Home Department what is the average age of *(a)* full-time and *(b)* part-time coroners. [82177]

Mr. George Howarth: According to the survey of the coroner service conducted by the Home Office in 1996, the average age of all coroners was then 58. Such information is not collected or updated routinely.

Dr. Lynne Jones: To ask the Secretary of State for the Home Department if he will list the relevant qualifications held by coroners and their job descriptions. [82176]

Mr. George Howarth: Coroners must have a five year general qualification within the meaning of section 71 of the Courts and Legal Services Act 1990, or be a legally qualified practitioner of not less than five years' standing. Coroners are appointed by the relevant local Councils. Details of the actual qualifications held by coroners, and their job descriptions, are not recorded centrally.

Dr. Lynne Jones: To ask the Secretary of State for the Home Department what plans he has for *(a)* compulsory and *(b)* voluntary training programmes for coroners. [82201]

Mr. George Howarth: We have no plans to require coroners to undergo training either before or after their appointment. There is an existing programme of training courses organised by the Home Office for coroners. In addition, coroners are encouraged to attend appropriate training events organised by other agencies and professional bodies.

Probation Services (Funding)

Mr. Beith: To ask the Secretary of State for the Home Department what was the total level of funding for each probation service in each of the last three years and the real terms change in funding levels over that period; and what is the planned real terms change in funding for 1999–2000. [81559]

Mr. George Howarth: The table shows the total revenue cash limit available to each probation area in this and the last three financial years; the real terms value of the last three years' cash limits at 1999–2000 prices using the latest Treasury deflators, and year on year changes.

Probation Service resources

£ million

	1993–94 outturn	*1994–95 outturn*	*1995–96 outturn*	*1996–97 outturn*	*1997–98 outturn*	*1998–99 estimated outturn*	*1999–2000 plans*	*2000–01 plans*	*2001–02 plans*
Expenditure	381.6	405.3	420.2	435.7	428.9	435.1	453.4	480.2	502.7
	(420.8)	(440.7)	(443.9)	(446.6)		(423.5)	(430.5)	(444.8)	(454.3)
Central government support[1]	308.1	328.1	339.9	352.4	346.3	352.2	363.1	384.6	402.6
	(339.8)	(356.8)	(359.1)	(361.2)		(342.8)	(344.8)	(356.2)	(363.8)
Capital grant and credit approvals[2]	19.6	18.5	17.2	17.2	13.6	13.6	(17.1	13.6	13.6
	(21.6)	(20.1)	(18.1)	(17.6)		(13.2)	(16.2)	(12.6)	(12.3)
Capital expenditure—hostels[3]	3.1	4.1	3	2.4	3.4	2.4	2.4	2.4	2.4
	(3.4)	(4.5)	(3.1)	(2.5)		(2.3)	(2.3)	(2.2)	(2.2)
Current expenditure—hostels	26.2	23.7	26	23.9	24.5	25.7	26.5	30.7	30.7
	(28.9)	(25.8)	(27.5)	(24.5		(25)	(25.1)	(28.4)	(27.7)

Figures in brackets at 1997–98 prices

[1] Local Government expenditure (current and capital only) excludes local authority contribution for probation and bail hostels.

[2] Current and capital grants and credit approvals to local authorities. Figures from 1995–96 include devolved moneys from supervision and accommodation grants provision

[3] Disaggregated from Central Government support from the start of the new capital financing system

[4] Net Central Government provision. The Home Office pays 100 per cent. grant on hostel capital expenditure and 80 per cent. grant on running costs. The remaining 20 per cent. of running costs is provided by, and 20 per cent. of capital expenditure recouped from, local authorities which make flat payments for each hostel resident.

Curfew Responsibility

Mr. Clappison: To ask the Secretary of State for the Home Department what is the average time between a request for a curfew home circumstances report being signed by a prison governor and being received by the Probation Service. [81952]

Mr. George Howarth: The signature or authorisation of a prison governor is not necessary before a request for a contribution to the risk assessment from the Probation Service can be made. Such requests, either on form HDC3 or form PD1, are made following the initial sift of cases and are usually sent by fax to ensure that the Probation Service receives them as soon as possible. No central records are kept of the time it takes for the forms to reach the home Probation Service.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for the Home Department if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how

many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81756]

Mr. Straw: The Home Office predominately uses junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

The two First Treasury Counsel are both junior counsel and they will advise and represent the Government without a Queen's Counsel in many of its important cases. In addition, the Attorney-General maintains four panels of junior Counsel whom Departments are expected to use for the majority of the Government's civil litigation. The Law Officers' approval is required before a Queen's Counsel can be instructed to appear.

In determining the level of counsel to use, the Department considers the individual circumstances of each case. It takes into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required, before deciding whether to instruct Queen's Counsel or junior counsel.

The number of occasions on which the Home Office instructed Queen's Counsel in the last three years, and the cost of doing so, cannot be given without incurring disproportionate cost.

Cleveland Police

Dr. Kumar: To ask the Secretary of State for the Home Department what is the amount of money paid by Cleveland Police to each of the three Cleveland police officers relating to the libel case involving allegations of sexual harassment; and if he will make a statement. [81850]

Mr. Boateng: On counsel's advice, the case was settled out of court and agreement was reached to pay each of the male officers £15,000.

Dr. Kumar: To ask the Secretary of State for the Home Department if he will publish the legal costs of Cleveland Police in the recent libel case relating to allegations of sexual harassment against three Cleveland police officers; and if he will make a statement. [81851]

Mr. Boateng: The total legal costs for this case are not yet available.

Dangerous Dogs

Mr. Maclean: To ask the Secretary of State for the Home Department (1) if he will introduce measures to prohibit dogs with a history of aggression which have been deposited in an animal welfare centre from being rehoused with members of the public; [81780]

(2) if he will assess the risks to members of the public from animal rescue charities and organisations finding new homes for dangerous dogs. [81772]

Mr. George Howarth: It is not in the interests of animal welfare organisations, or the animal for which they are custodians, to attempt to re-house an unsuitable dog. We would expect such organisations to operate responsibly and carry out a behavioural assessment of the dog and the suitability of the intended home before re-housing.

Mr. Maclean: To ask the Secretary of State for the Home Department what discussions he has had with ACPO on the workings of legislation relating to the control of dogs. [81773]

Mr. Boateng: There have been no discussions with the Association of Chief Police Officers (ACPO) about the workings of dangerous dogs legislation. ACPO is consulted about the terms of any guidance which may be issued about dangerous dogs, most recently in 1997 and 1998.

Refugees

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department how many refugees have been admitted into the United Kingdom since 24 March; and in which local authority areas they have been accommodated. [82063]

Mr. Mike O'Brien: It is not possible to identify the number of genuine refugees who have been admitted to the United Kingdom. Those seeking asylum are granted temporary admission to the country while their application is considered. Only after consideration of their claim can a decision be made to recognise the applicant as a refugee.

Information on the number of asylum seekers arriving since 24 March is not available. But in the whole of March a total of 5,060 applications were received of which 3,150 were lodged in-country and 1,910 were made at the port of entry. Information on the local authority areas in which they are accommodated is not held centrally.

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department if the United Kingdom has placed a limit on the number of refugees it is prepared to accept as a result of the Kosovo crisis. [82084]

Mr. Straw: No.

Firearms Compensation Scheme

Mr. Rendel: To ask the Secretary of State for the Home Department (1) if he will announce a date by which all outstanding payments under the compensation for handguns scheme will be completed; [82026]

(2) how many people who have handed in large or small calibre hand-guns to the police are still waiting to receive final payments under the two firearms compensation schemes; [82025]

(3) what action he is taking to reduce the time it is taking to process compensation payments for people who have handed in handguns to the police. [82027]

Mr. Boateng: Payment offers have been made on all, but around 250 claims, mainly under Option C of the compensation schemes, cannot yet be fully processed. This is principally because the required evidence of value of the surrendered guns and ancillary equipment has not yet been provided. There are around 2,600 outstanding offers of payment, mainly where the claimant has not yet responded, or where the amount of the offer is in dispute. It is not possible to give a firm date for the completion of all payments, as this depends in part on the claimant's response to the payment offer.

Immigration (Marriages of Convenience)

Mr. Stringer: To ask the Secretary of State for the Home Department if he will make a statement on his Department's policy on unannounced visits to check if a marriage is one of convenience for immigration purposes. [82013]

Mr. Mike O'Brien: The Department's policy is to make unannounced visits in cases where caseworking staff consider, from the evidence available and from prior checks, that there are strong grounds to suspect that the couple are not living together or that the marriage is otherwise not genuine.

Millennium Compliance

Mr. Best: To ask the Secretary of State for the Home Department what provisions have been made by his Department in respect of emergency planning for the millennium bug. [80968]

Mr. Straw: There are comprehensive and well-developed inter-agency arrangements for dealing with emergencies in the United Kingdom, whatever their cause. Because the millennium bug and large-scale millennium celebrations present additional risks, these arrangements have been enhanced. Initiatives include assessments of local authorities' emergency planning arrangements and a series of inter-agency events and seminars, delivered in central London, at the Emergency Planning College and in regional centres.

WALES

Unqualified School Leavers

Mr. Ruane: To ask the Secretary of State for Wales how many young adults left school without a basic qualification in each local authority area in Wales in each of the past 10 years. [81335]

Mr. Hain: Information on the examination achievements of school leavers is unfortunately available only for years up to and including the 1995–96 academic year. It relates to those pupils aged 15 or over leaving school with no A level, AS level, O level, CSE or GCSE qualifications in each local authority area before local government reorganisation in Wales in 1996. Some of these pupils may have gained other qualifications such as the Certificate of Education. This information, covering the 10 years up to and including 1995–96, is contained in the following table.

Number of pupils aged 15 or over leaving school without any A level, AS level, O level, CSE or GCSE qualifications

Maintained schools in local authority area	*1986–87*	*1987–88*	*1988–89*	*1989–90*	*1990–91*	*1991–92*	*1992–93*	*1993–94*	*1994–95*	*1995–96*
Clwyd	455	565	445	355	335	450	380	310	335	315
Dyfed	720	750	470	565	570	335	405	350	360	365
Gwent	1,105	1,130	935	815	900	645	635	620	750	660
Gwynedd	465	490	305	325	280	235	205	145	220	190
Mid Glamorgan	2,325	2,030	1,770	1,570	1,280	1,100	915	950	1,050	1,160
Powys	135	145	80	105	45	75	65	70	85	130
South Glamorgan	1,065	970	700	680	560	645	575	555	715	580
West Glamorgan	765	945	620	650	385	500	470	375	435	420
Wales (including Independent schools)	7,130	7,090	5,345	5,080	4,400	4,030	3,695	3,395	3,975	3,855

Sources:
For years up to and including 1990–91: the School Examinations Survey, a 10 per cent. sample of school leavers from maintained and independent schools.
For 1991–92 onwards, the RD1 (Intended Destinations of Pupils) Survey of all maintained schools and independent schools. The survey typically recorded the destination and examination achievements of over 98 per cent. of pupils.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Education (Expenditure)

Mr. Wilshire: To ask the Secretary of State for Wales how much central Government money was spent per capita in 1998 in Wales on *(a)* primary schools, *(b)* secondary schools, *(c)* further education colleges and *(d)* universities. [82200]

Mr. Hain: The majority of central Government money for education in schools is provided to local authorities by the unhypothecated revenue support settlement, and in 1997–98 (on the latest information available) the local authority unit costs per pupil are:

	£
Nursery and primary	1,902
Secondary	2,609
Nursery, primary and secondary	2,187

The largest specified grant provided to local authorities by central Government for schools is the Grants for Education Support and Training (GEST) and it is set out along with other specified grants for schools in table 5.01 of the 1999 Departmental Report, copies of which are available in the Library of the House. Information is not yet available centrally on how much of these grants is spent separately in primary or secondary schools.

Per capita funding for full-time equivalent students in further education institutions in Wales in 1998–99 (the latest outturn year available) was £2,790. The equivalent figure for higher education was £3,406.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Mr. Wilshire: To ask the Secretary of State for Wales how much central Government money was spent per capita in 1998 in Wales on books and stationery in *(a)* primary schools and *(b)* secondary schools. [82199]

Mr. Hain: Expenditure on educational equipment, furniture and materials, which covers books and stationery, in 1996–97, the latest year for which figures are available, was £61.50 per pupil in nursery and primary schools and £109.20 per pupil in secondary schools.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Mr. Wilshire: To ask the Secretary of State for Wales how much central Government money was spent per capita in 1998 in Wales on grants to *(a)* voluntary aided schools and *(b)* voluntary controlled schools. [82197]

Mr. Hain: Capital grants to voluntary-aided schools in Wales in 1997–98 equated to £399 per pupil. The revenue costs of voluntary-aided schools and the revenue and capital costs of voluntary-controlled schools are funded by local authorities.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Wind Farms

Dr. Marek: To ask the Secretary of State for Wales when the letter from the hon. Member for Wrexham to him of 5 April about the Mynydd y Cemmaes wind farm extension planning application was brought to his attention; and when he expects to reply. [82037]

Mr. Michael: I have replied to the hon. Member and have placed a copy in the Library of the House.

Dr. Marek: To ask the Secretary of State for Wales (1) if he will list the procedures which he follows when he is minded to overturn a planning decision made by one of his inspectors; [82038]

(2) what procedures he followed in his consideration of the planning inspector's report on the application for an extension to the wind farm at Mynydd y Cemmaes; [82040]

(3) if he will rescind his decision to allow the application for an extension to the wind farm at Mynydd y Cemmaes and pay all appropriate compensation; [82066]

(4) what discussions he had with ministerial colleagues prior to his decision to overturn his inspector's decision not to grant planning permission for an extension to the wind farm at Mynydd y Cemmaes. [82041]

Mr. Jon Owen Jones: Under the provisions of the Town and Country Planning Act 1990 the decision is final. It is not open to Ministers to comment on the merits of the decision or the reasoning behind it. The decision was reached taking account of all relevant considerations, one of which was the Inspector's recommendation.

The conclusions reached by a planning inspector, following a public inquiry, are put to the Welsh Office as recommendations not reasons. The decision is final whether taken directly by the Secretary of State or under delegated powers.

I am satisfied that the handling and determination of this application was carried out having proper regard to all relevant requirements including the Town and Country Planning (Inquiries Procedure) Rules 1992. It is not open to the Department to rescind the decision.

I had no conversations with Ministerial colleagues on this application. The inspector's recommendations were available to me alongside advice from officials.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Dr. Marek: To ask the Secretary of State for Wales if he will list the visits to wind farms by his Department's Ministers in the last year, indicating upon whose invitation each visit was made. [82039]

Mr. Jon Owen Jones: The Under-Secretary of State, my hon. Friend the Member for Bridgend (Mr. Griffiths) toured Bryn Titli and Carno wind farms, Mid Wales, with National Wind Power and Bonus Energy UK on 1 May 1998. I toured Carno Wind farm, Mid Wales, with National Wind Power and Bonus Energy UK on 1 October 1998.

Written Answers to Questions

Tuesday 27 April 1999

TRADE AND INDUSTRY

Cashmere

Mr. Gordon Prentice: To ask the Secretary of State for Trade and Industry what steps he is taking to support the cashmere industry. [77648]

Mr. Battle: My Department has worked hard to support the UK cashmere knitwear industry. In response to the US threat of punitive duties on imports of cashmere knitwear from the EU, we announced a bond scheme which indemnified exporters of UK-manufactured cashmere against losses arising from the US action. In the event, and after intensive lobbying from the UK Government, the US removed cashmere knitwear from the list of products subject to the US retaliation.

Minimum Wage

Mr. Llew Smith: To ask the Secretary of State for Trade and Industry what assessment he has made of the implementation of the provisions of the minimum wage legislation. [81940]

Mr. Ian McCartney: We estimate that implementation of the national minimum wage has directly benefited almost 2 million workers. Initial feedback indicates that very few employers are deliberately seeking to evade their responsibilities. Recent research commissioned by Reed Personnel Services shows that almost 9 out of 10 companies surveyed support the national minimum wage in principle and were paying their workers the minimum wage rates in advance of its introduction on 1 April.

The Inland Revenue is enforcing the national minimum wage policy, and will supply this Department with data on all matters relating to compliance on a regular basis. Further information on the impact of the introduction of the minimum wage will be available once official statistics are published in the autumn.

Standards (Goods and Services)

Mr. Laurence Robertson: To ask the Secretary of State for Trade and Industry what regulations apply to the standards of goods and services sent to the United Kingdom by companies based overseas; and if he will make a statement. [82043]

Dr. Howells *[holding answer 26 April 1999]:* As far as I am aware, all the regulations for which my Department has responsibility dealing with goods and services supplied in the UK, apply irrespective of whether the company supplying those goods or services are based within the UK or elsewhere overseas.

ECGD

Mr. McNulty: To ask the Secretary of State for Trade and Industry if he will make a statement about the future of the Export Credits Guarantee Department's reinsurance facilities. [82624]

Mr. Wilson: Following the privatisation of ECGD's Insurance Services Group in 1991, which was responsible for providing credit insurance in respect of raw materials, consumer durables type exports normally sold on up to 6 months credit, ECGD has provided reinsurance support to private sector credit insurers when there has been a lack of private reinsurance for this class of exports. Since then, demand for ECGD reinsurance has declined as private market capacity has increased. ECGD is to conduct a review of its role in the provision of reinsurance. This will be preceded by a public consultation which will commence shortly. The results of the review are expected in the Autumn.

A copy of ECGD's consultation document has been placed in the Library of the House.

WALES

National Assembly

Mr. Swayne: To ask the Secretary of State for Wales what meetings he has had with the Assembly election campaign leaders of each of the political parties. [79387]

Mr. Michael: I am not sure what is meant by "election campaign leaders". I have had no meetings with any individuals in respect of the organisation of the Assembly election campaign for their Party. I have had many contacts with Welsh MPs, including the right hon. Member for Caernarfon (Mr. Wigley) and the hon. Member for Brecon and Radnorshire (Mr. Livsey), as the leaders of their Welsh Parliamentary Parties, and as there are no Welsh Conservative MPs, with the hon. Member for Woodspring (Dr. Fox) as the spokesperson for the Conservative Party on Welsh Affairs. I have also had regular informal contact with Mr. Rod Richards and Mr. Mike German as the respective leaders of the Conservative Party and the Liberal Democrat Party in Wales.

Inward Investment

Mrs. Gillan: To ask the Secretary of State for Wales if he will make a statement on the work he has done to secure *(a)* Korean and *(b)* Japanese inward investment into the United Kingdom. [81102]

Mr. Hain *[holding answer 16 April 1999]:* In addition to taking any opportunity to promote Wales to overseas markets, my right hon. Friend, the Secretary of State for Wales has hosted a reception at Lancaster House for senior Japanese industrialists and has written to potential and existing investors. He has also met the Ambassador of each country.

I led an inward investment mission to Japan last October. These efforts have been in addition to the day-to-day efforts of the Welsh Development Agency.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Long-standing Illnesses

Mr. Ruane: To ask the Secretary of State for Wales how many people have been diagnosed as suffering limiting long-standing illness or disability in each of the (i) unitary and (ii) health authority areas in Wales for each of the past 10 years. [81338]

Mr. Jon Owen Jones: Information on the basis of a diagnosis is not centrally available. The only available information, as given in the table, is based on the 1991 Census of Population and the 1997 Welsh Household Interview Survey, the latter being a sample survey and subject to sampling error. The two sources are not wholly comparable, but can be used as an indication of the relative numbers by authority in each year.

Numbers with a limiting long-term illness, by authority

Health authority	*Local authority*	*Long-term illness, health problems or handicap limiting daily activities or work that can be done 1991 Census of population*	*Long-standing illness, disability or infirmity having troubled or likely to affect a person over a period of time 1997 Welsh household interview survey estimates*[1]
North Wales		91,275	97,400
	Isle of Anglesey	9,463	11,400
	Gwynedd	15,522	15,300
	Conwy	16,140	15,500
	Denbighshire	14,179	14,200
	Flintshire	18,093	20,700
	Wrexham	17,878	20,300
Dyfed Powys		69,395	70,800
	Powys	15,510	14,200
	Ceredigion	8,320	7,900
	Pembrokeshire	15,239	13,500
	Carmarthenshire	30,326	35,200
Morgannwg		89,493	92,500
	Swansea	37,951	41,300
	Neath Port Talbot	28,799	28,200
	Bridgend	22,743	23,000
Bro Taf		115,054	117,000
	The Vale of Glamorgan	14,793	17,900
	Cardiff	38,426	40,400
	Rhondda Cynon Taff	49,016	46,200
	Merthyr Tydfil	12,819	12,500
Gwent		92,801	96,500
	Caerphilly	32,665	33,700
	Blaenau Gwent	15,291	16,100
	Torfaen	15,535	16,400
	Monmouthshire	9,653	8,000
	Newport	19,657	22,300
Wales		458,018	474,100

[1] Figures may not add-up exactly due to rounding

Following the transfer of functions, this issue will be a matter for the National Assembly.

Workless Households

Mr. Ruane: To ask the Secretary of State for Wales how many children were living in workless households in each local authority area in Wales in each of the past 10 years. [81331]

Mr. Jon Owen Jones: The only available information, as given in the following table, is based on the 1991 Census of Population and the 1997 Welsh Household Interview Survey, the latter being a sample survey and subject to sampling error. The two sources are not wholly comparable, but can be used as an indication of the relative numbers by authority in each year.

Children living in workless households, by authority

	Dependent children in households with no adult in employment 1991 census of population	*Dependent children in households with no one of working age in work 1997 Welsh Household Interview Survey estimates*[1]
Isle of Anglesey	2,884	2,800
Gwynedd	3,937	5,500
Conwy	3,157	6,100
Denbighshire	2,917	4,100
Flintshire	4,193	6,800
Wrexham	4,874	6,500
Powys	2,690	3,800
Ceredigion	1,889	2,400
Pembrokeshire	4,726	6,700
Carmarthenshire	5,862	8,500
Swansea	11,264	14,400

Children living in workless households, by authority

	Dependent children in households with no adult in employment 1991 census of population	*Dependent children in households with no one of working age in work 1997 Welsh Household Interview Survey estimates*[1]
Neath Port Talbot	6,488	9,300
Bridgend	5,750	6,900
The Vale of Glamorgan	4,446	5,900
Cardiff	15,986	17,500
Rhondda, Cynon, Taff	13,131	16,600
Merthyr Tydfil	4,266	6,700
Caerphilly	9,402	12,300
Blaenau Gwent	4,048	5,100
Torfaen	4,368	5,500
Monmouthshire	1,627	2,800
Newport	7,563	11,300
Wales	125,468	167,600

[1] Figures do not add up exactly due to rounding

Following the transfer of functions, this issue will be a matter for the National Assembly.

Depression

Mr. Ruane: To ask the Secretary of State for Wales how many people have been diagnosed as suffering from depression in each (i) health and (ii) unitary authority area in Wales in each of the past 10 years. [81339]

Mr. Jon Owen Jones: In the Welsh Health Survey, a postal survey carried out in 1995, people were asked "Do you have depression now that you have had for 3 months or more?". The following table shows, by health authority and unitary authority, the percentage of the respondents (aged 18 and over) who answered yes. Because of possible response bias in surveys of this nature, the figures given may overstate the actual prevalence of the condition in the population.

Information for other years is not available centrally.

Percentage of adult population (aged 18 and over) reporting depression, 1995

Area of residence	
North Wales health authority	6.1
Isle of Anglesey	5.1
Gwynedd	6.1
Conwy	6.1
Denbighshire	5.2
Flintshire	6.1
Wrexham	6.9
Dyfed Powys health authority	7.6
Powys	6.9
Ceredigion	7.7
Pembrokeshire	7.5
Carmarthenshire	7.9
Morgannwg health authority	7.3
Swansea	6.9
Neath Port Talbot	8.8
Bridgend	6.7
Bro Taf health authority	8.7
Vale of Glamorgan	7.4
Cardiff	7.3
Rhondda, Cynon, Taff	10.7
Merthyr Tydfil	10.5
Gwent health authority	7.2
Caerphilly	8.4
Blaenau Gwent	10.4
Torfaen	7.2
Monmouthshire	4.0
Newport	6.5
Wales	7.4

Following the transfer of functions, this issue will be a matter for the National Assembly.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Genetically Modified Food

Mr. Maclean: To ask the Secretary of State for the Environment, Transport and the Regions what is the total number of genetically modified food trial sites; how frequently they have been inspected by the Health and Safety Executive; and if he will list those sites which have not been inspected in the past 12 months. [72677]

Mr. Meacher *[holding answer 24 February 1999]:* Since the current regulations came into force in 1993, genetically modified crops have been grown on approximately 373 individual test sites, some at the same research establishments or farms. In the coming growing season, we have received notifications that genetically modified crops will be grown at 65 different sites.

There is no set pattern of inspection. In previous years about half of the active test sites have been inspected each year. From April 1999, inspections will increase so that at least one test site from each consent is inspected. In total, we expect about 70 to 80 site inspections to take place and repeat inspections will be carried out where necessary. Also from this year, an annual report on inspection activities is to be produced listing the sites which were inspected. Copies of the report will be placed in the Library as soon as the report is produced.

Genetically Modified Animals

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions how many genetically modified animals, by species, have been exported in each year from 1990 to date, and to where. [81262]

Mr. Meacher *[holding answer 19 April 1999]:* The information requested is not available. There is no requirement to keep or collect such information.

Anyone intending to use premises for the keeping of genetically modified animals in the United Kingdom must give prior notification to the Health and Safety Executive under the Genetically Modified Organisms (Contained Use) Regulations, but there is no requirement to keep records of the export of such animals.

The keeping of genetically modified mammals is subject to licencing by the Home Office and the Animals (Scientific Procedures) Act. The Home Office collects figures on the discharge of transgenic animals but these figures do not distinguish between export and other methods of discharge such as humane killing.

Genetically Modified Crops

Joan Ruddock: To ask the Secretary of State for the Environment, Transport and the Regions when he expects to have gathered enough scientific evidence from farm-scale testing of genetically modified crops to make an assessment of the environmental and wildlife consequences of the commercial growing of such crops. [81639]

Mr. Meacher: It is difficult to give a clear statement about when we expect to have gathered enough scientific evidence, but the programme of ecological studies will run for three years in the first instance.

In the first year, the evaluations of the effects of the management of the GM crops on wildlife will be carried out on a limited number of sites, as explained in my answer given today to my hon. Friend's other question (PQ 81638). The first year's work will establish the methodology for future years, but will also generate information which could give an early indication of whether there could be adverse effects.

The work in the subsequent years 2000 and 2001 will be carried out on at least 20 sites for each crop. Because this work is carried out on a greater number of sites, the results will have greater statistical significance. The research contractors will be following the crops through the cropping rotations in subsequent years.

To ensure that this work is scientifically sound, we are in the process of appointing an independent steering committee to oversee the experimental design and methodologies, the statistics, and to advise on the interpretation of the results. I will consider the advice of this committee about at what stage we have gathered enough evidence and whether, and if so, what further studies need to be carried out. The work will be reviewed year by year and we will use this to decide how best to proceed with the managed development of GM crops in the UK.

Joan Ruddock: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has for farm-scale test sites for genetically modified crops in addition to the three he announced on 15 April in the current year. [81638]

Mr. Meacher: This year, three fields of genetically modified (GM) spring oilseed rape and four fields of GM maize will be planted for the farm-scale evaluations and compared with a similar number of fields of equivalent non-GM crops. It is anticipated that three to five fields of GM winter oilseed rape will be planted in August.

In subsequent years, at least 20 fields of each crop will be planted to enable the evaluations to be carried out at a scale which will generate sufficient information to ensure that a rigorous statistical analysis can be carried out to identify whether or not the management of the GM crops results in indirect effects on wildlife compared to non-GM crops.

Information on the farm-scale evaluations will be published shortly on the DETR Website (www.environment.detr.gov.uk/acre/wildlife/index.htm).

Joan Ruddock: To ask the Secretary of State for the Environment, Transport and the Regions what regulations he has applied to the dispersal of seed from genetically modified crops grown in farm-scale test sites over the next five years. [81640]

Mr. Meacher: All the releases of genetically modified (GM) crops will be carried out under the appropriate authorisations in accordance with the Genetically Modified Organisms (Deliberate Release) Regulations 1992, as amended. With respect to the control of dispersal of seed, the farmers growing the crops will in addition be applying the guidelines being prepared by the industry body Supply Chain Initiative for Modified Agricultural Crops (SCIMAC). The draft guidelines cover the issue of seed dispersal, and farmers will be advised to take the necessary precautions to prevent seed spillage and dispersal.

Highways Agency

Mr. Webb: To ask the Secretary of State for the Environment, Transport and the Regions what quality control measures are in place to ensure that highway repairs undertaken by the Highways Agency are of adequate durability. [81957]

Ms Glenda Jackson: Highway repairs undertaken by the Highways Agency are usually procured under contract and the terms of the contract include the "Specification for Highway Works" (the latest edition was published by the Stationery Office in May 1998). This is the main document that sets out the performance, materials and workmanship requirements.

Workmanship on site and contract compliance is supervised by suitably qualified and experienced highway engineers and inspectors commissioned by the Highways Agency.

The specification includes detail of checkpoints at which suppliers provide the Highway's Agency's agents with evidence of compliance with the specification either by testing of materials and/or by staged inspection of the work. Work is not accepted until it is certified as meeting the requirements of the specification.

Contaminated Land

Mr. Burns: To ask the Secretary of State for the Environment, Transport and the Regions (1) when he plans to bring into force the contaminated land regime in Part IIA of the Environmental Protection Act 1990; [81798]

(2) when he plans to lay guidance issued under the contaminated land regime before each House of Parliament; [81799]

(3) what plans he has to consult the public on proposed guidance under the contaminated land regime before it is laid before Parliament. [81800]

Mr. Meale *[holding answer 26 April 1999]:* Implementation of the contaminated land regime in Part IIA of the Environmental Protection Act 1990 is dependent upon statutory guidance to be issued by the Secretary of State, and also on secondary legislation.

The Act requires the Secretary of State to consult the Environment Agency and others before he issues that guidance. Two rounds of consultation on draft texts have been carried out. We intend to issue a further draft of the guidance, for a final round of consultations, in June, with the aim of laying the final draft before each House of Parliament before the Summer recess. We intend to make the Commencement Order and Regulations necessary to implement the Part IIA regime at the same time.

This should enable us to bring the regime into force in England on 1 December. Implementation of the regime in Scotland and Wales is the responsibility of their respective Secretaries of State.

Asbestos

Mr. Cohen: To ask the Secretary of State for the Environment, Transport and the Regions what assessment he has made of the current maximum sentence for serious offences relating to asbestos. [81026]

Mr. Meale: At present, the higher courts may impose unlimited fines for Health and Safety at work offences, including those related to asbestos, and may imprison people for breaching asbestos licensing requirements. The lower courts may fine up to £20,000 for certain charges, which may be brought in asbestos-related cases, and up to £5,000 for others. However, within the broad statutory limits set by Parliament, sentences in individual cases are a matter for the Courts alone.

I am concerned that the general level of penalties imposed by the Courts for Health and Safety offences, including those related to asbestos, do not match their seriousness, especially given that lives are being put at risk. The Government are considering what can be done to address this, including consideration of whether the available maximum penalties remain appropriate.

Motor Insurers Bureau

Mr. Dismore: To ask the Secretary of State for the Environment, Transport and the Regions what organisations and individuals he has *(a)* consulted, *(b)* received requests for consultation from and *(c)* received representations from concerning his proposals for changes to the Motor Insurers Bureau arrangements. [82336]

Ms Glenda Jackson: Representations have been received over the years since the last revision from many applicants, their legal representatives and from solicitors' organisations. Representations have also been received from the European Commission. All of these are taken into consideration in the review of the Agreements. We have recently received and accepted a request from the Association of Personal Injury Lawyers that they be consulted in the review of the Uninsured Drivers Agreement which is nearing completion.

Trains (Reliability)

Mr. Drew: To ask the Secretary of State for the Environment, Transport and the Regions what discussions he has had with *(a)* Great Western Trains and *(b)* South Wales and West Railway about improving reliability. [81907]

Ms Glenda Jackson: The Secretary of State had general discussions with both these Train Operating Companies at the November 1998 and February 1999 Rail Summits. OPRAF monitors the performance of franchise agreements by Train Operating Companies and agrees remedial action with them as necessary to ensure compliance with contractual obligations. The reliability and punctuality of Train Operating Companies is reported in OPRAF's Quarterly Bulletins, copies of which are in the Library of the House.

Planning Obligations

Mr. Drew: To ask the Secretary of State for the Environment, Transport and the Regions when he proposes to publish new guidelines on the use of planning obligations. [81908]

Mr. Raynsford: It is planned to issue a Consultation Paper on Planning Obligations this year. Current guidelines on the use of Planning Obligations are set out in DOE Circular 1/97.

Vacant Dwellings (Avon)

Mr. Webb: To ask the Secretary of State for the Environment, Transport and the Regions how many vacant dwellings there are in each of the unitary authorities in the former county of Avon. [82302]

Mr. Raynsford: The latest available data are as follows:

Vacant dwelling stock, by category of ownership, as at 1 April 1998

	Unitary authority	*Registered social landlords*	*All other tenures*[1]	*Total stock*
Bath and North East Somerset	133	21	1,231	1,385
Bristol	679	368	4,550	5,597
North Somerset	98	19	3,673	3,790
South Gloucestershire	74	52	2,429	2,555

[1] All Other Tenures covers "other public" and "other private" sectors as reported on HIP returns

[2] Denotes HIP data not available; Housing Corporation Regulatory and Statistical Return (RSR) information (as at 31 March) used

Source:

DETR Housing Investment Programme OI Returns 1998

FOREIGN AND COMMONWEALTH AFFAIRS

Subsidiarity

Mr. Mitchell: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list those topics to which subsidiarity cannot apply, being wholly within the sole competence of the European Union. [81430]

Ms Quin: There are two topics which are solely within the competence of the European Community by virtue of the Community Treaties, and to which subsidiarity is therefore not applicable. These are: (a) the Common Commercial Policy; and (b) the Common Fisheries Policy insofar as it relates to conservation of marine resources.

The Community may also acquire implied exclusive competence by enacting legislation which restricts the ability of Member States to act in a particular area as long as that legislation is in force. Examples of such areas are parts of the Single Market and the Common Agricultural Policy. However, before enacting this legislation, the Community would, since entry into force of the Maastricht Treaty, have had to take subsidiarity concerns into account.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81754]

Mr. Robin Cook: I refer the hon. Member to the answer he received from my hon. and learned Friend the Solicitor-General on 26 April 1999, *Official Report*, column *1*. The Foreign and Commonwealth Office conducts very few proceedings in the UK domestic courts. For proceedings in international tribunals, such as the International Court of Justice or the European Court of Human Rights, nominations of Counsel to represent the United Kingdom are always sought from the Attorney-General, bearing in mind the level of national importance of a particular issue and the legal expertise required.

Iran

Mr. Donald Anderson: To ask the Secretary of State for Foreign and Commonwealth Affairs when he expects diplomatic representation with Iran to be raised to the level of ambassador. [82216]

Mr. Fatchett: The exchange of ambassadors with Iran was part of the agreement between the Secretary of State for Foreign and Commonwealth Affairs and his Iranian counterpart Dr. Kharrazi in New York last September. We remain committed to this and expect that the exchange will take place in the next few weeks.

Mr. Öpik: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans he has to continue to make representations to the Iranian Government on the position of followers of the Baha'i faith currently living in Iran; and if he will make a statement. [82155]

Mr. Fatchett: We and our EU partners have regularly raised with the Iranian authorities our concerns over certain aspects of their human rights record, and in particular the plight of the Baha'i community in Iran.

An EU sponsored resolution at the recent United Nations Commission on Human Rights, including firm language on the plight of the Baha'is, was adopted on 23 April.

We will continue to raise these matters with the Iranian Government in bilateral and EU contracts.

Algeria

Mr. Gareth Thomas: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he has had with the Algerian Government on co-operation with the UN *(a)* Special Rapporteur on Torture, *(b)* Special Rapporteur on Extrajudicial, Summary or Arbitrary Executions and *(c)* Working Group on Enforced or Involuntary Disappearances; and what undertakings he has received from the Algerian Government in this regard. [81986]

Mr. Fatchett: I visited the UN Human Rights Commission in Geneva on 31 March to deliver the UK national speech. In it, I mentioned our disappointment at Algeria's continued refusal to grant access to the Special Rapporteurs on Torture and on Extrajudicial Killings. With our support, the EU also urged the Algerian government to cooperate with the UN Working Group on Enforced Disappearances.

We have received no undertakings from the Algerian government to cooperate with these UN bodies, even though they are obliged to do so by UN rules.

Mr. Gareth Thomas: To ask the Secretary of State for Foreign and Commonwealth Affairs what action the Government are proposing to take at this year's UN Commission on Human Rights in respect of human rights abuses in Algeria. [81987]

Mr. Fatchett: While delivering the UK national speech to this year's UN Commission on Human Rights on 31 March, I expressed our continued disappointment at Algeria's refusal to allow UN human rights bodies access to the country, even though they are obliged to do so.

Gibraltar

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the outcome of the discussion held with the Chief Minister of Gibraltar on 20 April. [82028]

Ms Quin *[holding answer 26 April 1999]:* My right hon. Friend did not meet the Chief Minister on 20 April. However, I had a useful discussion with him which covered the European Parliament vote; financial services; Schengen; Moroccan workers in Gibraltar; and the UK/Spain Summit.

European Union Council

Mr. Gareth R. Thomas: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list the forthcoming business in the Council of the European Union for May and the major European Union events for the next six months. [82623]

Ms Quin: The information is as follows:

Monthly forecast of business: May 1999

Date	*Venue*	*Event*
3–7	Strasbourg	European Parliament Plenary
6	Brussels	EU–ACP Ministerial meeting
7–9	Weimar	Environment Ministers (Informal)
10	Brussels	ECOFIN
10–11	Berlin	Trade Ministers (Informal)
11	Brussels	Energy Council
17–18	Brussels	General Affairs Council
17–18	Brussels	Agriculture Council
18	Brussels	EEA Council
18	Brussels	Co-operation Council with Russia
18–19	Weimar	Culture Ministers (Informal)
20	Brussels	Research Council
21	Brussels	Development Council
25	Brussels	ECOFIN
25	Brussels	Labour and Social Affairs Council
27	Brussels	Youth Council
27–28	Brussels	Justice and Home Affairs Council
31	Brussels	General Affairs Council
30 May–1 June	Dresden	Agriculture Ministers (Informal)

No agendas have yet been circulated for the above meetings.

European Calendar: May–October 1999

This calendar is primarily concerned with European Union matters, but certain other relevant events are also included. Events and dates quoted are based on the information available on the date of issue.

Date	*Venue*	*Event*
May		
3–7	Strasbourg	European Parliament Plenary
6	Brussels	EU–ACP Ministerial meeting
7–9	Weimar	Environment Ministers (Informal)
10	Brussels	ECOFIN
10–11	Berlin	Trade Ministers (Informal)
11	Brussels	Energy Council
17–18	Brussels	General Affairs Council
17–18	Brussels	Agriculture Council
18	Brussels	EEA Council
18	Brussels	Co-operation Council with Russia
18–19	Weimar	Culture Ministers (Informal)
20	Brussels	Research Council
21	Brussels	Development Council
25	Brussels	ECOFIN
25	Brussels	Labour and Social Affairs Council
27	Brussels	Youth Council
27–28	Brussels	Justice and Home Affairs Council
31	Brussels	General Affairs Council
30 May–1 June	Dresden	Agriculture Ministers (Informal)
June		
1	Dresden	Agriculture Ministers (Informal)
3–4	Cologne	European Council
7	Luxembourg	Education Council
8	Luxembourg	Health Council
10	Luxembourg	Fisheries Council
10–13		European Parliament Elections
14	Luxembourg	ECOFIN (possible)
14–15	Luxembourg	Agriculture Council
17	Bonn	EU-Japan Summit
17–18	Luxembourg	Transport Council
21	Luxembourg	Internal Market Council
21	Bonn	EU-USA/Canada Summit
21–22	Luxembourg	General Affairs Council
22	Luxembourg	Labour and Social Affairs Council (possible)
24–25	Luxembourg	Environment Council
25–29	Rio de Janeiro	EU-Latin America/Caribbean Summit
28	Luxembourg	Culture Council
July		
2–3	Oulu	Industry and Research Ministers (Informal)
9–10	Oulu	Labour/Social Affairs Ministers (Informal)
12	Brussels	ECOFIN
16	Brussels	Budget Council
18–20	Savonlinna	Culture/Audiovisual Ministers (Informal)
19–20	Brussels	General Affairs Council
19–20	Brussels	Agriculture Council
20–23	Strasbourg	European Parliament Plenary
23–25	Helsinki	Environment Ministers (Informal)
26–28	Brussels	EU–ACP Ministerial Meeting
August		
No Council Business		
September		
4–5	Saariselka	Foreign Ministers (Informal)
10–11	Turku	ECOFIN (Informal)
12–14	Tampere	Agriculture Ministers (Informal)
13–14	Brussels	General Affairs Council
13–17	Strasbourg	European Parliament Plenary
16–17	Turku	Justice and Home Affairs Ministers (Informal)
23	Brussels	Telecommunications Council
24–25	Tampere	Education Ministers (Informal)
27–28	Kuopio	Ministers of Housing
27–28	Brussels	Agriculture Council
October		
4–5	Brussels	Justice and Home Affairs Council
4–5	Tampere	Regional Policy Ministers
6	Brussels	Transport Council
7	Brussels	Internal Market
8	Brussels	ECOFIN
11–12	Brussels	General Affairs Council
11–12	Brussels	Environment Council
15–16	Tampere	Special European Council
18–19	Brussels	Agriculture Council
22	Brussels	Labour/Social Affairs Council
26	Brussels	Fisheries Council
28	Brussels	Research Council
29	Brussels	Justice and Home Affairs Council

PRIME MINISTER

Economic Sovereignty

Mr. Bercow: To ask the Prime Minister if he will set out his definition of the term "pooling of economic sovereignty". [81737]

The Prime Minister: I refer the hon. Member to the oral statement given by my right hon. Friend the Chancellor of the Exchequer on 27 October 1997, *Official Report*, columns 583–88.

SOCIAL SECURITY

Queen's Counsel

Mr. Dismore: To ask the Secretary of State for Social Security if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81765]

Mr. Timms: The Department does use Queen's Counsel in the conduct of its litigation. They are used for important and complex cases. For the rest, the Department uses the panel counsel referred to in the Written Answer to the hon. Member from my hon. and learned Friend the Solicitor-General on 26 April 1999, *Official Report*, columns *1–2*. Approval for off-panel counsel is sought from my right hon. and learned Friend the Attorney-General as necessary. Records are not maintained in a form which would enable the number of occasions in which the Department has instructed Queen's Counsel to be identified in the last three years and the cost of doing so would incur disproportionate cost.

Pensions

Mr. Webb: To ask the Secretary of State for Social Security by how much it would be possible to increase the basic state pension, taking into account savings on means-tested benefits and increases in income tax revenues, if the £100 winter fuel payment were abolished and all the proceeds spent on the basic state pension. [81975]

Mr. Timms: The amount allocated for Winter Fuel Payments for 1999–2000 is £0.8 billion. We estimate that this would provide an increase in the basic State pension for one year only in the order of £2.55 a week for Category A cases and £1.50 a week for category BL cases.

Notes:

1. The gross costs underlying this estimate have been provided by the Government Actuary's Department.

2. Income tax offsets were provided by the Inland Revenue.

3. Means-tested benefit offsets were estimated using the 1996–97 Family Resources Survey and the 1997 Quarterly Statistical Enquiry and are in 1999–2000 prices, earnings and benefit levels.

4. The estimate provides a broad order of magnitude and is rounded to the nearest £0.05.

Benefits (Private Sector)

Mr. Rendel: To ask the Secretary of State for Social Security what further plans he has to involve the private sector in the delivery of benefits. [82291]

Angela Eagle: We have no plans to use the private sector to deliver Social Security benefits. However, we will be using the private sector to support the delivery of new systems and to support staff to manage the changes needed to achieve the Government's objectives for Welfare Reform.

Mr. Rendel: To ask the Secretary of State for Social Security what percentage of Single Focus Work Gateway pilot projects include private sector involvement. [82293]

Angela Eagle: Ministers decided in November 1998 that in 4 of the 12 Single Work-focused Gateway (SWFG) areas, organisations from the private and/or voluntary sector would be invited to lead the delivery of SWFG. We would expect to see all successful organisations finally selected to deliver SWFG working in partnership with local organisations from the voluntary, private and public sector within each locality.

Mr. Rendel: To ask the Secretary of State for Social Security what estimate he has made of the reduction in the number of public sector jobs as a result of the use of the private sector for benefit delivery. [82292]

Angela Eagle: None.

Pensions (Green Paper)

Mr. McNulty: To ask the Secretary of State for Social Security if he will publish a list of the individuals and organisations that commented on "A New Contract for Welfare-Partnership in Pensions" (Cm 4179). [82635]

Mr. Timms: A total of 581 responses to the Green Paper on pensions were received. I have arranged for a list, in the order of receipt, of those who submitted comments to be placed in the Library of the House.

HEALTH

Pressure-relieving Equipment

Mr. Kidney: To ask the Secretary of State for Health what changes he has made to his Department's guidance ref. HSG(95)8 regarding the availability of specialist pressure-relieving equipment. [79912]

Mr. Hutton: HSG(95)8 "NHS responsibilities for meeting continuing health care needs" covers the arrangements that health authorities need to make for patients who have continuing health care needs which can be met in hospital, nursing homes or their own homes. The guidance confirms that people in nursing homes may require some regular access to specialist medical, nursing or other community health services, including specialist medical or nursing equipment, but does not specifically list pressure-relieving equipment. There have been no changes to the guidance since it was issued in 1995. In the light of the Health Committee report on the interface between health and social services, there will be a review of continuing health care policy.

Health Professionals (Salaries)

Mr. Cotter: To ask the Secretary of State for Health what has been the average salary increase for all health professionals in the NHS in each of the last five years, expressed as a percentage. [81059]

Mr. Denham: The average salary increase for all health professionals in the National Health Service in each of the last five years is set out in the table.

Year	*Percentage*
1994–95	3.0
1995–96	2.9
1996–97	3.4
1997–98	3.4
1998–99	4.0

Notes:

This is a weighted average for directly employed doctors and dentists, nurses, midwives and health visitors, professions allied to medicine and staff covered by the scientific and professional Whitley Council, using the full increase and including local pay where relevant. It omits the value of increments and other changes in earnings.

Source:

Pay Advance letters and annual financial returns of NHS trusts and health authorities.

Body Piercing

Mr. Bob Russell: To ask the Secretary of State for Health (1) how many people sought medical help as the

result of body piercing in each of the past three years for which records are available; and if he will make a statement: [80864]

(2) what powers a local authority has to revoke the ear piercing registration of a person convicted of a sexual assault; and if he will make a statement; [80863]

(3) if a person registered for ear piercing is allowed to pierce other parts of the body; and if he will make a statement; [80862]

(4) what *(a)* legislation and *(b)* other regulations apply to those providing (i) ear piercing and (ii) piercing of other parts of the body; and if he will make a statement. [80861]

Ms Jowell: Local authorities in London have powers to control ear piercing and cosmetic body piercing businesses by licensing using provisions in the London Local Authorities Act 1991, or by registration and byelaws using provisions in the Greater London Council (General Powers) Act 1981, depending on which legislation they have adopted. The majority of London local authorities have adopted licensing powers.

Local authorities outside London have powers to register and make byelaws for ear piercing businesses under the provisions of the Local Government (Miscellaneous Provisions) Act 1982, but not for cosmetic body piercing businesses.

Local authorities are empowered to make byelaws or licence conditions for ear piercing businesses related to hygienic and safe practice. Breaches of these byelaws and licence conditions may lead to the cancellation of registration or a licence.

In addition, under the London Local Authorities Act 1991, local authorities in London may revoke or refuse to grant, renew or transfer a licence, if the individual carrying on the business is not reasonably regarded by the local authority as a fit and proper person to hold a licence. Therefore it is possible that if information about a conviction for a sexual offence came to light, the local authority may decide to revoke or refuse to grant, renew or transfer a licence.

Following consultation by the Department in 1996 on the regulation of skin piercing, we have decided that primary legislation should be introduced, if parliamentary time allows, to give local authorities outside London powers to regulate cosmetic body piercing businesses. Those authorities are at present able to use general enforcement powers under health and safety at work legislation, should they judge that there is a risk to customers' health and safety. Also, the cosmetic body piercing businesses which are registered for ear piercing under the existing legislation will already be subject to local authority inspection.

The Department does not have information on the number of people who seek medical help as a result of body piercing and we are not aware of any relevant studies.

Ministerial Meetings (US)

Mr. Matthew Taylor: To ask the Secretary of State for Health how many times Ministers in his Department met their counterparts in the US Administration between 1 January 1998 and 1 June 1998, indicating the dates and locations of each meeting, the Ministers involved and the name of the US counterpart. [81078]

Ms Jowell: I met the United States Secretary of State for Health, Donna Shalala at the World Health Assembly in Geneva in May 1998.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Health how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81195]

Ms Jowell: Within the Department of Health there are 3 Senior Civil Servants, 28 Integrated Payband 4 (Grade 7) statisticians and 12 fast-stream Assistant Statisticians employed as professional statisticians, all of whom have been recruited via the Civil Service Selection Board'. In addition, the Department employs on a permanent basis Statistical Officers who have statistical qualifications.

The answer covers the number of permanent statistically qualified staff working in professional statistician posts in the Department. In addition, there is 1 Senior Civil Servant who was recognised as a professional statistician by the then Central Statistical Office without the involvement of the Civil Service Selection Board.

Note:

The answer excludes staff with professional statistical qualifications working in general administrative posts and staff in regional offices of the National Health Service Executive who may be undertaking some statistical work.

Iophendylate

Fiona Mactaggart: To ask the Secretary of State for Health how much iophendylate was purchased by the National Health Service in 1998–99. [81620]

Mr. Hutton: No iophendylate (Myodil) was purchased by the National Health Service in 1998–99.

Medicines Control Agency

Dr. Iddon: To ask the Secretary of State for Health when and with whom he expects the Medicines Control Agency to consult about revisions to the proposals in its consultation document MLX 249. [81650]

Ms Jowell: We are grateful for all the representations received during the consultation period which ended on 31 January. Having fully considered those representations we will decide whether and what legislation should be placed before Parliament. We have no current plans for further public consultation.

Dentistry

Jackie Ballard: To ask the Secretary of State for Health (1) what plans he has for the long-term future of dentistry in the NHS; [81875]

(2) what plans he has to ensure a comprehensive NHS dentistry service is available throughout the country; [81874]

(3) what is the Government's long-term policy on NHS dentistry. [81873]

Mr. Denham: These issues are under consideration as part of the strategy for National Health Service Dentistry that we will publish in due course.

Jackie Ballard: To ask the Secretary of State for Health what target his Department has set for the number of dentists providing NHS services per 1,000 population. [81865]

Mr. Denham: Health authorities are responsible for monitoring the provision of National Health Service dental services in the area. The table shows that on 31 December of each year from 1996 to 1998, there was an increase in the number of dentists providing general dental services per 1,000 population.

General Dental Service: Number of GDS dentists [1] per 1,000 population at 31 December in England

Year	*Number*	*Per 1,000 population*
1996	16,341	0.33
1997	16,722	0.34
1998	17,266	0.35

[1] The number of dentists are a head count not whole time equivalents

Mr. Webb: To ask the Secretary of State for Health how many bids have been received from dentists in Northavon since the launch of his Investing in Dentistry initiative; and how many of these have been successful. [81955]

Mr. Denham: No Investing in Dentistry funding requests have been received from Northavon.

St. George's Hospital (Tooting)

Mr. Cox: To ask the Secretary of State for Health what has been the change in *(a)* waiting lists and *(b)* waiting time for consultation at St. George's Hospital, Tooting, in the last 12 months; and if he will make a statement. [81886]

Mr. Denham: At 28 February 1999, 6,464 people were waiting for inpatient treatment at St. George's Healthcare National Health Service Trust, a reduction of 1,668 since 31 March 1998. At 31 December 1998, 2,195 people had been waiting 13 weeks or more for a first outpatient appointment there, an increase of 905 since 31 March 1998.

Osteoporosis

Dr. Lynne Jones: To ask the Secretary of State for Health when he plans to publish clinical guidelines on osteoporosis prevention and treatment. [81884]

Ms Jowell: The Royal College of Physicians published "Osteoporosis: clinical guidelines for prevention and treatment" on 12 March 1999. Copies of the guidelines are available direct from the Royal College.

Ongar War Memorial Hospital

Mr. Pickles: To ask the Secretary of State for Health if he will make a statement on the closure of Ongar War Memorial Hospital. [81871]

Mr. Denham: No decision has been made about the future of Ongar War Memorial Hospital. The health authority has not yet provided all the information necessary to enable Ministers to take a decision on the long-term future of the hospital.

We understand that the National Health Service trust may be considering closing the hospital on health and safety grounds. This is a matter which is the responsibility of the trust.

Treatment Costs

Mr. Maclean: To ask the Secretary of State for Health (1) if he will estimate the cost to the National Health Service of treating people who have been injured by animals in each of the last three years; [81775]

(2) if he will introduce measures to enable those in charge of animals which have caused injuries requiring health service treatment to be charged for that treatment. [81774]

Mr. Denham: Central information is collected annually on the cost of treatments and procedures for services undertaken by National Health Services trusts. These costs are not differentiated between the cause of the treatment, for example whether the treatment was required as a result of animals, a fall etc., and therefore we are unable to estimate the costs of services in this way. There are no plans to introduce charges to owners for the cost of treating people injured by their animals.

Food Standards Agency

Mr. Paice: To ask the Secretary of State for Health how many existing staff from his Department will be transferred to the Food Standards Agency. [82271]

Ms Jowell: I refer the hon. Member to the reply given to the hon. Member for Maidenhead (Mrs. May) on 29 March 1999, *Official Report,* column *500.*

DEFENCE

Second World War Airmen

Dr. Tony Wright: To ask the Secretary of State for Defence if he will release the information held by his Department on the number of airmen during the Second World War who were classified as lacking moral fibre; and if he will take steps to remove this classification from service records. [81341]

Mr. Doug Henderson: Aircrews in the Second World War included personnel from all three Services, although the Royal Air Force were the only Service to use the classification of "lacking moral fibre". Cases where aircrew had significant psychological problems were dealt with by administrative procedures and fell into two categories; those which were seen as having medical causes, and those where the determination and reliability of the airman in the face of danger were doubted. It was the latter category that were actually classed as "lacking moral fibre".

The Royal Air Force has no central record of officers/airmen classified as "lacking moral fibre" during World War II and this information could be obtained only

through a manual check of individual personnel files. Whilst it might be possible to obtain background information on officers categorised as "lacking moral fibre", airmen's personal files will have been destroyed, and only a basic Record of Service retained. It would not therefore be possible to discover any background information on the reasons behind any "lack of moral fibre" annotation recorded on an individual airman's record.

Service Records are amended only on those rare occasions when there is irrefutable evidence that inaccurate information has been entered. The Ministry of Defence therefore has no plans to review those cases categorised as "lacking moral fibre" during World War II, or to remove this classification from those airmen's individual records which have survived.

Landmines

Ann Clwyd: To ask the Secretary of State for Defence what information he has obtained on the laying of anti-personnel landmines and anti-tank mines by the Yugoslav army in Kosovo. [81994]

Mr. George Robertson: There is evidence that both anti-tank mines and anti-personnel mines have been employed by the Yugoslav army in Kosovo since April of last year. While our information is incomplete, we believe that in central and south west Kosovo, where many of the minefields are laid, these are small scale. Along the Albanian and Macedonian borders with Kosovo, there is evidence of more conventional large scale minefields.

Munitions (Kosovo)

Mr. Frank Cook: To ask the Secretary of State for Defence what munitions are being used by the RAF in the Kosovo campaign that employ a form of sub-munition designed to impede damage repair. [82149]

Mr. George Robertson: None.

War Cabinet

Mr. Keith Simpson: To ask the Secretary of State for Defence on how many occasions since 24 March the Chiefs of Staff have accompanied the Chief of the Defence Staff to meetings of the War Cabinet. [81665]

Mr. George Robertson *[holding answer 22 April 1999]:* It is established practice under Section 2 of the Code of Practice on Access to Government Information not to disclose information relating to proceedings of Cabinet and Cabinet Committees. However, as I have made clear publicly on a number of occasions, we are not at war with the Federal Republic of Yugoslavia. There is therefore no War Cabinet. The Prime Minister regularly discusses the situation in Kosovo with his Ministerial colleagues.

Vinca Institute

Mr. Dalyell: To ask the Secretary of State for Defence what reports he has received of the presence of nuclear material at the Vinca Institute near Belgrade. [82349]

Mr. George Robertson: Any nuclear material held at the Vinca Nuclear Research Institute is held under the terms of the Safeguards Agreement between Yugoslavia and the International Atomic Energy Agency (IAEA), and is monitored by its inspectors.

Vegetarians

Mr. Drew: To ask the Secretary of State for Defence what plans he has to cater for those requiring vegetarian food when involved in front-line activities. [81909]

Mr. Spellar: Where fresh rations are supplied by military catering staff, a vegetarian choice is available on the daily menu for all meals. In the case of Operational Ration Packs, work has begun to identify the requirement to provide a vegetarian option.

EDUCATION AND EMPLOYMENT

Knitting Machine Operators

Mr. Woolas: To ask the Secretary of State for Education and Employment what plans he has for the future of the National Training Centre for Knitting Machine Mechanics and Technicians at North Warwickshire and Hinckley College. [81738]

Mr. Mudie: Having reviewed their mix of training provision, I understand that the college authorities have decided to close the knitting technician facility. That is a business decision for them to take and is not a matter for my right hon. Friend the Secretary of State. I am advised that there are a number of other institutions offering technician training for the knitting industry. This may well have been a factor in the decision to close the centre at North Warwickshire and Hinckley College.

I can assure my hon. Friend that the prospective National Training Organisation for the Textiles industry—the National Textiles Training Organisation—is very active in linking with education institutions to ensure the availability of an appropriate level of training facilities to meet the needs of the industry.

FE Colleges

Mr. Chaytor: To ask the Secretary of State for Education and Employment what plans he has to ensure that colleges of further education are not penalised financially as a result of the transfer of responsibility for funding part-time higher education courses in further education colleges from the Further Education Funding Council to the Higher Education Funding Council. [81872]

Mr. Mudie: The funding to transfer from FEFC to HEFCE from 1999–2000 has been calculated based on detailed information from the colleges concerned. These colleges were invited to confirm that the proposed funding transfer is appropriate. HEFCE and FEFC jointly commissioned research, which has shown that HEFCE will fund the transferred provision at, at least, the same level as applies now in FE.

A-levels (Maths and Science)

Dr. Kumar: To ask the Secretary of State for Education and Employment what action he has taken to

monitor standards in A-level subjects in *(a)* mathematics, *(b)* physics, *(c)* chemistry and *(d)* other science subjects since May 1997. [81853]

Mr. Mudie: The Government are committed to ensuring that standards in all public examinations are rigorously maintained. The Qualifications and Curriculum Authority carries out a rolling programme of reviews to ensure that examination demand and grade standards are maintained in all major subjects. The first such review, published in 1996, confirmed that standards in A-level mathematics and chemistry remained broadly comparable between 1975 and 1995. The second review, published in March this year, confirmed that standards in A-level physics remained broadly comparable between 1976 and 1996. The A-level biology review is due to be published next year. Specific recommendations from the reviews for ensuring that standards continue to be maintained—and where necessary are strengthened—are being incorporated in the revised A-level criteria, which will underpin the new syllabuses to be introduced from September 2000.

Further Education Funding Council

Dr. Vis: To ask the Secretary of State for Education and Employment what the value was of the *(a)* funds administered by the Further Education Funding Council and *(b)* overheads of the Further Education Funding Council in the last year for which figures are available. [81881]

Mr. Mudie: In 1998–99, the value of the funds administered by the FEFC were £3,112,265,976 and the overheads of the FEFC were £22,610,000.

Early Years Education

Mr. Kidney: To ask the Secretary of State for Education and Employment what progress he has made in establishing an early years learning curriculum. [81989]

Ms Hodge: We have asked the Qualifications and Curriculum Authority (QCA) to review the existing Desirable Outcomes for Children's Learning on Entering Compulsory Education. The QCA published a consultation paper in February and the consultation closes on 30 April.

Mrs. May: To ask the Secretary of State for Education and Employment, pursuant to his answer of 23 March 1999, *Official Report*, columns *200–01*, when he expects to be able to publish the detailed breakdown of the expected expenditure on early years education in 1998–99. [82014]

Ms Hodge *[holding answer 26 April 1999]:* Expenditure plans—including estimated outturn expenditure for 1998–99—were published in the Departmental Report of the department for Education and Employment and Office for Standards in Education (Cm 4202) in March 1999. These included the following estimates of outturn expenditure on early years education and childcare in 1998–99:

	£ million
National Childcare Strategy	27
Funding from the windfall tax for the National Childcare Strategy	25
Under fives	137
Local authority expenditure on under fives education	1,692
Sure Start	3

New Deal (Pilot Projects)

Mr. Rendel: To ask the Secretary of State for Education and Employment what percentage of New Deal pilot projects include private sector involvement. [82303]

Mr. Andrew Smith: Private sector organisations lead delivery in 10 (36 per cent.) of the 28 pilots for the New Deal for long term unemployed people aged 25 or over and five (42 per cent.) of the 12 Personal Adviser Service pilot projects and three (12 per cent.) of the 24 Innovative schemes under the New Deal for the Disabled. Private sector organisations may also be involved in New Deal pilots as sub-contractors.

Disability Discrimination Act 1995

Mrs. Humble: To ask the Secretary of State for Education and Employment when the next stage of Part III of the Disability Discrimination Act 1995 will come into force; and if he will make a statement. [82542]

Ms Hodge: The next stage of Part III of the Disability Discrimination Act 1995 will come into force on 1 October. Service providers will then have to take reasonable steps to change practices, policies or procedures which make it impossible or unreasonably difficult for disabled people to use a service; provide auxiliary aids or services which would make it easier for, or enable, disabled people to use a service; and overcome physical features which make it impossible or unreasonably difficult for disabled people to use a service, by providing the service by a reasonable alternative means.

I have placed in the Library copies of the report on the public consultation exercise that the Government held jointly with the National Disability Council from 30 July 1998 to 13 November 1998, as well as copies of the Regulatory Impact Assessment. I have also laid supporting regulations and a revised Code of Practice, which describes the current and new duties and gives examples of good practice. It also helps service providers and disabled people to understand the law. Subject to the completion of the relevant Parliamentary procedures, we aim to publish the Code, and other information about the Act, at the end of June. This represents significant progress in our programme to tackle discrimination against disabled people.

The final phase of the later rights in Part III of the Disability Discrimination Act is scheduled to come into force in 2004. As a matter of good practice, service providers should be considering now what steps to take in respect of removing or altering or providing a means of avoiding physical obstacles which prevent access to their services.

The duty of reasonable adjustment on trade organisations will also come into force on 1 October. They will then have to take reasonable steps to prevent any arrangements they make placing a disabled member or applicant at a substantial disadvantage compared with people who are not disabled. I have laid a separate Code of Practice for trade organisations, which takes into account the brief guidance on trade organisations currently in the Employment Code of Practice. I have also placed in the Library copies of the associated Regulatory Impact Assessment and Consultation Report. Supporting regulations are not necessary.

New Deal for Partners of Unemployed People

Mrs. Humble: To ask the Secretary of State for Education and Employment if he will make a statement on the national launch of the New Deal for Partners of Unemployed People. [82543]

Mr. Andrew Smith: The New Deal for Partners of Unemployed People was launched today. It offers partners of people who have been receiving Jobseekers' Allowance for six months or more, the opportunity, on a voluntary basis, to receive guidance and advice on job search and training from specialist Employment Service Personal Advisers.

The national programme will build on the experience gained by pathfinder districts—Cardiff, Leeds and Tayside—which started on 8 February.

HOME DEPARTMENT

Racial Hatred

Mr. Coleman: To ask the Secretary of State for the Home Department how many *(a)* reports, *(b)* investigations and *(c)* arrests there were of crimes committed in the areas covered by (i) Hammersmith and (ii) Fulham police stations for the offence of incitement to racial hatred for the years *(a)* 1994, *(b)* 1995 and *(c)* 1996. [81684]

Kate Hoey: The Commissioner of Police of the Metropolis tells me that such information as to the offence of incitement to racial hatred was not identifiable from other collected data before the introduction of the Metropolitan Police crime reporting computer system on 30 July 1996 at Hammersmith Police Station and 27 August 1996 at Fulham Police Station. No cases of incitement to racial hatred were reported or investigated, and no arrests were made, in the period from 30 July 1996 to end December 1996 at Hammersmith and, during the period 27 August 1996 to end December 1996, at Fulham.

IND Offices, Croydon

Mr. Coleman: To ask the Secretary of State for the Home Department what is the average time recorded by the IND offices in Croydon for response to inquiries made to them by *(a)* telephone and *(b)* in writing for the months of (i) January, (ii) February and (iii) March. [81683]

Mr. Mike O'Brien: In respect of telephone inquiries, I would refer my hon. Friend to the reply I gave to the hon. Member for Woking (Mr. Malins) on 29 March 1999, *Official Report,* column *537.* The latest position is that the average time a caller waits in the queue has reduced to two minutes and twenty seconds. In respect of written inquiries for January, February and March, eighty four per cent. of written inquiries are responded to within 20 working days, excluding correspondence related to casework and applications.

Probation Service

Mr. Clappison: To ask the Secretary of State for the Home Department what was the outcome of the review of the Probation Service's recruitment needs; and if he will publish the results. [81954]

Mr. George Howarth: The work force planning survey of the Probation Service has not yet been completed. The data collected are currently being analysed, and it is hoped that a final report will be ready by August. The findings will be made available to Probation Service managers and probation committees.

Mr. Clappison: To ask the Secretary of State for the Home Department if he will publish the ergonomic assessment of the Crams IT system currently being installed by the Probation Service. [81978]

Mr. George Howarth: The ergonomic assessment of Case Record Administration and Management System (CRAMS) has been sent to all Chief Probation Officers; and UNISON and the National Association of Probation Officers (NAPO) have sent copies to their branch officers. Copies have also been placed in the Library.

Juvenile Offenders

Mr. Clappison: To ask the Secretary of State for the Home Department what estimates he has had made of the likely change in the number of juveniles sentenced to custody during the next five years. [81979]

Mr. Boateng: Projections have been made of the number of young prisoners who it is expected will be either serving a custodial sentence or held on remand in all forms of secure accommodation. The projections are based on two possible scenarios:

The assumption that the use of custody by the courts increases by 0.6 per cent. per year for males and 1 per cent. for females, which is in line with recent trends; and the assumption that, in addition to 1, there is an increase in average sentence length of 1.5 per cent. per year for males and 2 per cent. for females.

The tables also allow for seasonal variations in each year.

Expected populations of prisoners aged under 18

	Remand	*Sentenced*
Assumption 1		
1998–1999[1]	900	1,800
1999–2000	1,000	1,700
2000–2001	1,000	1,800
2001–2002	800	2,000
2002–2002	700	2,100
2003–2004	700	2,100
2004–2005	700	2,200
Assumption 2		
1998–1999[1]	900	1,800
1999–2000	1,000	1,900
2000–2001	1,100	2,100
2001–2002	900	2,400
2002–2003	800	2,400
2003–2004	800	2,600
2004–2005	800	2,700

[1] Provisional

Actual outcomes will depend on the decisions of the courts. Other scenarios are possible. For further information on the methodology of the projections see "Projections of Long-Term Trends in the Prison Population to 2006", Home Office Statistical Bulletin 1/99, copies of which are in the Library.

Mr. Clappison: To ask the Secretary of State for the Home Department what plans he has for housing juveniles within the Prison Service estate. [81976]

Mr. George Howarth: The initial composition of the Prison Service's new, distinct juvenile estate has now been finalised, following consultation with the Youth Justice Board. It will consist of the following establishments: Ashfield; Aylesbury; Brinsford; Castington; Feltham; Hollesley Bay; Huntercombe; Lancaster Farms; Onley; Portland; Stoke Heath; Thorn Cross; Werrington; and Wetherby. These establishments will be either juvenile-only or will contain juvenile units.

The Prison Service also has a strategy for securing further improvements to the estate over the next three years.

These changes will mean that all 15 to 17 year old boys will be held in separate, dedicated accommodation (other than in exceptional circumstances) in readiness for the introduction of the Detention and Training Order in April 2000.

In relation to 15–17 year old girls, I refer the hon. Member to the reply my right hon. Friend the Home Secretary gave to my hon. Friend the Member for Shipley (Mr. Lesley) on 8 March 1999, *Official Report*, columns *28–29*.

Parole

Mr. Clappison: To ask the Secretary of State for the Home Department what is the average time taken to process parole applications. [81959]

Mr. George Howarth: The parole timetable for determinate sentenced prisoners specifies that the review process should be complete, and the result notified to the prisoner, within 24 weeks of the scheduled start date for the review.

Over the past four quarters, the average time taken is as follows:

weeks

	Average time taken to process reviews
April 1998-June 1998	24.7
July 1998-September 1998	24.0
October 1998-December 1998	24.0
January 1999-March 1999	22.1

Young Offender Teams

Mr. Clappison: To ask the Secretary of State for the Home Department what are the *(a)* salaries, *(b)* leave entitlements and *(c)* other conditions of service for (i) police, (ii) health, (iii) education, (iv) probation and (v) social services members of young offender teams. [81958]

Mr. Boateng: The salaries, leave entitlements and other conditions of service of members of youth offending teams, from whichever agency they are drawn, are governed by the arrangements applying to each member's employing agency. They will vary between agencies and, in some aspects, between different parts of England and Wales, and they will vary according to the rank or grade and seniority of individual youth offending team members and, in respect of education and health staff, according to the occupational group nominated by chief education officers and health authorities as team members. It will be for youth offending team managers to manage the teams effectively, ensuring that the diversity of their membership contributes to, and does not impede, good multi-agency working.

Drug-related Crime

Mr. Clappison: To ask the Secretary of State for the Home Department what estimate he has made of *(a)* the number of drug users who are criminally active and *(b)* the cost of drug-related crime. [81982]

Mr. George Howarth: As I stated in my reply to the hon. Member for Hertsmere (Mr. Clappison) on 29 April 1998, *Official Report*, column *136*, the information requested on criminally active drug users is not available. A report was published last year of research carried out on behalf of the Home Office by the University of Cambridge, which shed light on the links between drugs and crime. Further work is currently being conducted within this programme. The results of this additional research will be published later this year.

At present there are no estimates of the costs of drug-related crime. However, the Home Office is currently working to develop, within the context of the crime reduction programme, an estimate of the cost of crime.

Young Offenders Institutions

Mr. Clappison: To ask the Secretary of State for the Home Department what plans he has to build additional young offenders' institutions within Greater London. [81977]

Mr. George Howarth: In 1998, the Prison Service acquired a site adjacent to Belmarsh prison in order to obtain planning permission to build another prison to serve the London area. It is the intention that the new prison should include a young offender institution function. Preliminary discussions have been held with the local planning authority, but a formal planning application has yet to be submitted.

Home Detention Curfews

Mr. Clappison: To ask the Secretary of State for the Home Department how many of the prisoners released on home detention curfew on or since 28 January have *(a)* been returned to custody and *(b)* committed offences whilst on curfew. [81948]

Mr. George Howarth: Between 28 January and 21 April, 3,953 offenders have been made subject to home detention curfew. In the same period, 166 curfewees have had their licences revoked by the Secretary of State and 140 have been returned to custody.

Home Office Circular 1/1999 requires the police to inform the Prison Service parole unit when a curfewee is charged with an offence. Between 28 January and 21 April, the parole unit has been notified of 40 such cases. As a result, 26 curfewees have had their licences revoked immediately under Section 38A(1) or Section 39 of the Criminal Justice Act 1991. In the remaining

14 cases, either the police or the probation service have been asked to pursue breach action through the courts under section 38(2) of the Criminal Justice Act 1991.

Mr. Clappison: To ask the Secretary of State for the Home Department what difficulties there have been with the equipment used to enforce home detention curfews, with particular reference to multi-storey dwellings, hostels and farms. [81953]

Mr. George Howarth: In a small number of cases, it was initially difficult to set curfew ranges for premises in multiple occupation or of unusual shape or size; but the contractors have been able to meet these problems by installing additional monitoring equipment, re-calibrating curfew ranges or restricting the curfewee to certain areas of the property.

Any address that is not technically suitable for monitoring will be reported to the Parole Unit of the Prison Service, which will consider whether to recall the offender to prison. To date, there have been no such reports.

Tooting and Wandsworth Police Stations

Mr. Cox: To ask the Secretary of State for the Home Department how many cases of stop and search have been recorded at *(a)* Tooting and *(b)* Wandsworth police stations; and how many of these have led to arrests in each of the last three years. [81889]

Kate Hoey: The Commissioner of Police of the Metropolis tells me that Wandsworth and Tooting police stations are part of Wandsworth Division and it is not possible to break down the figures below divisional level. He has provided the following information:

Wandsworth Division

	1996	*1997*	*1998*
Stop and Searches	5,489	5,784	4,130
Arrests Resulting	522	551	386

Mr. Cox: To ask the Secretary of State for the Home Department how many ethnic minority police officers are currently stationed at *(a)* Tooting and *(b)* Wandsworth police stations. [81891]

Kate Hoey: The Commissioner of Police of the Metropolis tells me that, on 23 April 1999, there were four police officers from visible ethnic minorities stationed at Tooting Police Station and seven at Wandsworth Police Station.

European Elections (Voter Eligibility)

Mr. Mackinlay: To ask the Secretary of State for the Home Department if he will make a statement on the eligibility of those overseas voters eligible to vote in the United Kingdom general elections to vote in the forthcoming European Parliament election. [81788]

Mr. George Howarth: Under the European Parliamentary Elections Act 1978, as amended, an overseas elector registered to vote at a parliamentary election is entitled to vote at an European Parliamentary election.

European Elections (Gibraltar)

Mr. Mackinlay: To ask the Secretary of State for the Home Department if he will make a statement on the eligibility of holders of Gibraltarian passports to stand as candidates for the European Parliament if they are *(a)* residents of Gibraltar and *(b)* resident in the United Kingdom. [81787]

Mr. George Howarth: Under the European Parliamentary Elections Act 1978, as amended, the holder of a Gibraltarian passport, as a citizen of the Commonwealth, is eligible in the same way as a United Kingdom citizen to stand as a candidate for election to the European Parliament wherever he or she is resident.

European Elections (Commonwealth Citizens)

Mr. Mackinlay: To ask the Secretary of State for the Home Department if he will make a statement on the eligibility of citizens of Commonwealth countries, other than United Kingdom citizens, who are resident in the United Kingdom and eligible to stand as candidates for the Parliament of the United Kingdom, to stand for election to the European Parliament. [81786]

Mr. George Howarth: I can confirm that, under the European Parliamentary Elections Act, 1978, as amended, a Commonwealth citizen is eligible in the same way as a United Kingdom citizen to stand as a candidate for election to the European Parliament wherever he or she is resident.

Macpherson Report

Mr. Maclean: To ask the Secretary of State for the Home Department when he expects to receive the report of the inquiry into the leaking of the Macpherson report. [81862]

Mr. Straw: I hope to receive the report shortly.

Telephone Services

Mr. Beith: To ask the Secretary of State for the Home Department on how many occasions the telephone preference scheme and the access overload control scheme have been used in each of the last 20 years; which categories of user were disconnected in each case; and if he will make a statement. [82445]

Mr. George Howarth: Since 1987, the preference scheme has been activated by British Telecom, in order to relieve congestion on the network, or to overcome other network problems, on the following occasions:

August 1987: Hungerford

October 1987: South East England

December 1988: Lockerbie

January 1990: Southern England

December 1990: Midlands

February 1993: Welford upon Avon

June 1993: Chadford.

On each occasion the public telephone service was restricted to essential users in the emergency services,

central and local government, public call boxes and certain categories of people at risk, such as on kidney dialysis machines or in residential homes which have difficulties of access. Normal service was restored as soon as possible. Records prior to 1987 are no longer available.

The access overload control scheme was established in November 1989. The scheme has been activated on the following occasions:

December 1989: M6 Motorway

June 1990: Knebworth (invoked in error)

April 1997: Aintree

April 1997: Crewe

April 1997: Gatwick

April 1997: Leeds.

Priority was given, in each case, to the emergency services and other essential users. The general public continued to have access to the network, limited at times by the number of essential user calls being made.

Public Pay Telephones (Prostitutes Cards)

Mr. Beith: To ask the Secretary of State for the Home Department (1) what consultation he has undertaken on developing new plans to combat the advertising of prostitutes in public pay telephones; and if he will make a statement; [82450]

(2) what plans he has to introduce new measures to combat the advertising of prostitutes in public pay telephones; and if he will make a statement. [82449]

Mr. George Howarth: As my right hon. Friend the Minister of State for the Home Department said, in his reply to the right hon. Member for North-West Cambridgeshire (Sir B. Mawhinney) on 22 April 1999, *Official Report*, column 669, the Home Office hopes to publish its consultation paper on new measures to tackle the problem of prostitutes' cards in telephone kiosks next month. The consultation paper will look at options for changing the law to enable those who put cards in telephone kiosks to be dealt with more effectively.

HOUSE OF COMMONS

Electronic Locks

Mr. Sayeed: To ask the Chairman of the Accommodation and Works Committee how much the electronic locks provided under the works vote for the House of Commons areas of the Parliamentary Estate cost; how many have been authorised for fitting; and if he will make a statement. [81992]

Sir Sydney Chapman: I understand that Serjeant at Arms wrote to my hon. Friend in December 1998 setting out the information on this subject as it stood at the time. I have asked the Serjeant at Arms to provide my hon. Friend with details of the current position and to place a copy of the letter in the Library.

CULTURE, MEDIA AND SPORT

Tourism

Mr. Gordon Marsden: To ask the Secretary of State for Culture, Media and Sport what decision he has made about the new national body for tourism in England. [82544]

Mr. Chris Smith: On 14 December 1998 we announced in A New Cultural Framework that we would establish a new streamlined, more strategic body to support tourism in England. An Implementation Team was set up in January, supported by an Advisory Group representing the industry. We have now considered its report, which was received on 9 April and of which a copy has been placed today in the Libraries of both Houses. I am now able to announce more fully the details of the framework within which the new arrangements will operate under the leadership of a Chairman, whom I will shortly appoint.

The new body will be known as the English Tourism Council (ETC). Its prime role will be to provide strategic leadership to drive delivery of the national tourism strategy. It will have a parallel function as a centre of excellence supporting the industry in five key areas: research, in particular work on emerging markets and sectors; quality, including work on the accommodation schemes and also attractions and seaside resorts; overseeing systems for data collection and analysis; championing sustainable tourism, and wider access; and spreading news of innovative ideas and examples of best practice in all these areas of work.

There will be a significant switch of funding so that most is available for tourism in the regions and I want to see a new system for its distribution. This will enable a greater proportion of the strategy to be delivered at regional level and will secure enhanced benefits for tourism in the regions. The money will continue to be passed via the ETC to the Regional Tourist Boards (RTBs), except in the case of London where the Department will pass it directly to the Mayor of London, while recommending that the London Tourist Board is the most appropriate partner for delivery of the national strategy.

We are currently considering applications received for the post of Chairman of the ETC, whom we will announce as soon as a decision has been made. At present the Board consists of six other members and we intend to increase that to eight. Decisions on staffing will be for the Chairman and Chief Executive, but are likely to lead to a different structure with higher skilled staff and a new mode of working. The ETC is likely to relocate within Thames Tower, Hammersmith but, in due course or if the funds allocated for its transition allow, the organisation may decide to move to new premises.

Once the new Chairman and Chief Executive are in place, the ETC will be able to finalise its Strategic Action Plan and the Planning and Bidding Guidance for the Regional Tourist Boards on regional funding. We expect this to be possible by July, at which stage there will be a public launch of the new national body for tourism in England, one that has a far clearer and more focused remit than before and will be better equipped to maximise England's tourism interests. In the meantime, I am

grateful to the current Chairman, Board members and staff at ETB who continue to provide a high standard of support for this vital industry.

AGRICULTURE, FISHERIES AND FOOD

Professional Statisticians

Mr. Menzies Campbell: To ask the Minister of Agriculture, Fisheries and Food how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81200]

Mr. Morley: Statistical work is undertaken by a range of specialisms including Economists. Within this Department there are 2 Senior Civil Servants, 2 Grade 6s, 11 Grade 7s and 6 Assistant Statisticians employed as "professional" Statisticians, all of whom have been recruited via CSSB. In addition our Department employs 2 Statistical Officers.

Two officers have applied for and been granted chartered statistician status.

Silk Stream Flood Scheme

Mr. Dismore: To ask the Minister of Agriculture, Fisheries and Food when he expects the environmental assessment of the Silk Stream flood alleviation scheme to be completed; and if he will make a statement. [81748]

Mr. Morley: I understand that following consultation on the Scoping Report, the Environment Agency will be undertaking an environmental assessment of the Silk Stream flood alleviation scheme with a view to publishing an Environmental Statement for formal consultation in August 2000.

Haddock

Mr. Gill: To ask the Minister of Agriculture, Fisheries and Food what is the 1999 haddock quota tonnage allocated to the United Kingdom and the total haddock quota tonnage available to the EU within EU and external waters. [81854]

Mr. Morley: The information requested is as follows:

Stock	*EU quota (tonnes)*	*UK quota*
EU waters		
Area IIa, North Sea	69,680	57,045
Skagerrak and Kattegat, Area IIIb, c, d	3,675	0
Area Vb, VI, XII, XIV	19,000	15,110
Area VII, VIII, IX, X CECAF 34 1.1	26,990	4,590
External waters		
Faroese zone	500	430
Norwegian zone (north of 62°N)	1,700	1,118
Norwegian zone (south of 62°N)	930	0
Total	122,475	78,293

Of which no more than 50,000 tonnes may be fished in the Norwegian zone

EU quota in Faroese waters is for cod and haddock combined and is not split for each species

Crop Sub-species

Mr. Drew: To ask the Minister of Agriculture, Fisheries and Food if he will publish the arrangements for the licensing of crop sub-species. [82047]

Mr. Rooker: There are no licensing arrangements for crop sub species.

ATTORNEY-GENERAL

Prosecutions (Hammersmith and Fulham)

Mr. Coleman: To ask the Attorney-General how many *(a)* prosecutions and *(b)* convictions there have been for crimes committed in the areas covered by (i) Hammersmith and (ii) Fulham police stations for the years *(a)* 1994, *(b)* 1995 and *(c)* 1996. [81685]

Kate Hoey: I have been asked to reply.

The Commissioner of Police of the Metropolis tells me that the Metropolitan police does not collect prosecution or conviction data for individual divisions. They are, however, able to provide data which combine persons charged, summonsed and those receiving adult cautions:

	Number
Fulham Division	
1994	998
1995	1,233
1996	1,049
Hammersmith Division	
1994	1,648
1995	1,747
1996	1,372

NORTHERN IRELAND

Consultations (Postal Costs)

Mr. Keetch: To ask the Secretary of State for Northern Ireland if she will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if she will make a statement. [80915]

Mr. Paul Murphy: When voluntary bodies and registered charities are invited to respond to a consultation document, it is not standard practice to automatically meet the postal costs incurred. However, any individual request for reimbursement would be considered on its merit. Where a voluntary organisation receives a grant from the Department towards its central administration costs, it is not unreasonable to expect postal costs in responding to consultation documents to be met from that grant.

Lee Clegg (Trial Costs)

Mr. McNamara: To ask the Secretary of State for Northern Ireland what was the cost to her Department of the original trial of Lee Clegg in 1993. [81125]

Mr. Ingram *[holding answer 19 April 1999]:* It would be possible to answer this question only at disproportionate cost.

Paramilitary Violence

Mr. William Ross: To ask the Secretary of State for Northern Ireland (1) if she will list for the week ended Saturday 17 April the number of violent incidents involving paramilitary groups which took place in Northern Ireland, indicating how many involved *(a)* Loyalist and *(b)* Republican groups; [81740]

(2) if she will list for the week ended Saturday 17 April the number of *(a)* punishment beatings and *(b)* punishment shootings which took place in Northern Ireland, indicating how many in each category were committed by (i) Loyalist and (ii) Republican groups. [81741]

Mr. Ingram: The number of security incidents during the period 11 April-17 April 1999 are as shown:

Shooting incidents: 1

Bombing incidents: 2.

The number of casualties as a result of paramilitary-style attacks during the period are as follows:

	Loyalist	*Republican*
Assaults	0	1
Shootings	0	1
Total	0	2

Notes:

1. Figures may be subject to minor amendment.
2. The shooting and bombing incidents cannot as yet be firmly attributed to a grouping.

Advance Factories

Mr. Beggs: To ask the Secretary of State for Northern Ireland how many advance factories have been built in Northern Ireland in each of the last two years and in which constituencies; and if she will make a statement on the policy of Her Majesty's Government regarding the provision of advance factories in Northern Ireland. [82000]

Mr. Ingram: The Industrial Development Board (IDB) build one advance factory in 1998–99. This is a high-tech unit of 5,400 sq m and is located at Duncairn Gardens in the North Belfast Constituency. IDB built no advance factories in 1997–98, but did build one specialised call centre of 2,800 sq m on a speculative basis at Springvale Business Park in the West Belfast Constituency.

Government policy is to reduce to a minimum IDB's stock of advance factories. Recent project experience has shown that IDB-led construction programmes can meet the requirements of the most demanding inward investors' timetables. Furthermore, there is an increased demand for bespoke factories. Flexibility to provide advance units will, none the less, be retained where such action is considered essential in attracting investment to particular disadvantaged areas.

CABINET OFFICE

Local Government Elections

Mr. Gordon Prentice: To ask the Minister for the Cabinet Office what discussions he *(a)* has had and *(b)* plans to have with the right hon. Member for Berwick-on-Tweed (Mr. Beith) on the introduction of proportional representation for local government elections. [81974]

Dr. Jack Cunningham: I have had no such discussions and have no current plans to have any.

Civil Servants (Ethnic Make-up)

Mr. Drew: To ask the Minister for the Cabinet Office what the ethnic make-up was of civil servants in each Department on 1 April. [81934]

Mr. Kilfoyle: Information about the ethnic origin of civil servants is collected through voluntary, confidential questionnaires. Civil Service personnel statistics are collated and published annually for staff in post at 1 April by the Cabinet Office. The latest information, which is shown in the table, is for 1 April 1998.

Number of staff in Departments by Ethnic Groups[1] at 1 April 1998

Department	*White*	*Black*	*Asian*	*Other ethnic groups*	*Total with known ethnic origin*
Advisory, Conciliation and Arbitration Service	506	23	15	—	550
Agriculture, Fisheries and Food	6,980	183	173	42	7,378
Cabinet Office	1,271	56	33	9	1,369
Charity Commission	483	36	31	—	550
Crown Prosecution Service	4,522	193	195	22	4,932
Culture, Media and Sport	301	18	13	—	330
Customs and Excise	20,397	406	954	125	21,882
Defence	64,247	479	664	169	65,559
Education and Employment	18,558	949	1,181	124	20,812
Ofsted	161	7	7	—	180
Environment, Transport and the Regions	11,316	281	404	172	12,173
Export Credit Guarantee Department	245	13	29	7	294
Foreign and Commonwealth Office	4,187	87	76	28	4,378
Friendly Societies, Registry of	98	16	17	—	130
Government Actuary	21	—	—	0	20
Health	3,734	326	210	59	4,329
Health and Safety	3,414	75	78	25	3,592
HM Prison Service	32,778	577	390	128	33,873
Home Office	8,021	421	620	97	9,159
Information, Central Office of	245	16	7	—	270
Inland Revenue	51,557	972	2,132	174	54,835
International Development	714	35	27	6	782

Number of staff in Departments by Ethnic Groups at 1 April 1998

Department	White	Black	Asian	Other ethnic groups	Total with known ethnic origin
Intervention Board	774	22	40	5	841
Land Registry	7,500	68	295	21	2,884
Legal Secretariat	6	—	0	0	10
Lord Chancellor's Department	8,922	462	405	66	9,855
National Investment and Loans Office	22	—	—	—	30
National Savings	4,217	11	13		4,240
National Statistics, Office for	2,798	76	72	20	2,966
Northern Ireland Office	68	13	5	0	86
Office of Electricity Regulation	203	10	16	0	229
Office of Fair Trading	198	22	44	0	264
Office of Gas Supply	87	6	7		100
Office of the National Lottery	21	—		0	30
Office of Rail Regulator	113	6		0	120
Ordnance Survey	1,511		10	6	1,570
Public Record Office	80	6			90
Royal Mint	361			0	361
Scottish Office	3,118		10	0	3,128
Other Scottish Departments	4,109	6	8		4,130
Security and Intelligence Services	4,701	6	6		4,720
Serious Fraud Office	120	17	15	0	152
Social Security	73,828	1,671	3,059	377	78,935
Trade and Industry	6,544	455	367	58	7,424
Treasury	686	45	50	8	789
Treasury Solicitors Department	256	28	15		300
Welsh Office	2,101		9		2,120
Total	356,140	8,117	11,716	1,782	377,755

Non-industrial staff who responded to departmental surveys on ethnic origin

In order to preserve confidentiality number withheld and total for department rounded to nearest 10 as there are less than five staff in this group

Source:

Cabinet Office, Mandate and departmental returns

New Deal (Young People)

Mr. Green: To ask the Minister for the Cabinet Office how many trainees on the New Deal for Young People were employed in *(a)* Her Majesty's Treasury, *(b)* the Home Office, *(c)* the Department of the Environment, Transport and the Regions, *(d)* the Ministry of Agriculture, Fisheries and Food, *(e)* his Department, *(f)* the Foreign and Commonwealth Office, *(g)* the Department of Health, *(h)* the Department for International Development, *(i)* the Lord Chancellor's Department, *(j)* the Department of Social Security, *(k)* the Department of Trade and Industry, *(l)* the Scottish Office *(m)* the Welsh Office, and *(n)* the Northern Ireland Office, on 31 January. [82351]

Mr. Kilfoyle: I refer the hon. Member to the written answer I gave him on 2 March 1999, *Official Report*, column *609*. Information on the numbers of those employed under the programme for 18 to 24-year-olds as at 31 January is not held centrally. My Department is currently collating figures which it has obtained from Departments showing the position at 1 April. I will write to the hon. Member with these in due course.

TREASURY

MIRAS

Mr. Maclean: To ask the Chancellor of the Exchequer how many individuals are currently in receipt of MIRAS. [70677]

Dawn Primarolo *[holding answer 15 February 1999]*: There are an estimated 10.6 million single people and married couples with mortgages in receipt of mortgage interest relief. About 10.3 million of these mortgages receive the relief through the MIRAS—mortgage interest relief at source—scheme.

Mr. Maclean: To ask the Chancellor of the Exchequer what has been the cost to the average taxpayer of the restriction of MIRAS to 10 per cent. in the 1997 Budget. [70676]

Dawn Primarolo *[holding answer 15 February 1999]*: The average cost to a taxpayer of the restriction of mortgage interest relief to 10 per cent. in the 1997 Budget is estimated to be about £36 in 1998–99.

Childcare Tax Credit

Mr. Gibb: To ask the Chancellor of the Exchequer what is his estimate of the amount of childcare tax credit which will be claimed as a result of the provisions for the new category of childcare for eight to 14 year olds set out in the Tax Credits Bill; and if this estimate has been included in the Red Book just published. [78293]

Dawn Primarolo *[holding answer 23 March 1999]*: The cost of extending childcare eligible for the childcare tax credit in the Working Families Tax Credit is estimated to be under £5 million in 2000–01, the first full year of the tax credit.

The estimate was not included in the Budget 99 Red Book as the measure was tabled after the Budget.

Income Tax (Pensioners)

Mr. Gibb: To ask the Chancellor of the Exchequer (1) if he will estimate how many people over the age of 65 years will have a marginal rate of income tax of *(a)* nil, *(b)* 10 per cent., *(c)* 20 per cent., *(d)* 23 per cent. and *(e)* 40 per cent. in (i) 1998–99 and (ii) 1999–2000; [79359]

(2) if he will estimate how many pensioners will have a marginal rate of income tax of *(a)* nil, *(b)* 10 per cent., *(c)* 20 per cent., *(d)* 23 per cent. and *(e)* 40 per cent. in 1999–2000. [79360]

Mrs. Roche *[holding answer 30 March 1999]:* Estimates by marginal rates of income tax are shown in the table.

Thousand

Marginal rate (percentage)	*Aged 65 and over 1998–99*	*Aged 65 and over 1999–2000*	*Pensionable ages 1999–2000*
0	6,150	6,150	7,000
10	—	350	450
20	1,950	700	750
23	1,050	1,950	2,350
40	150	150	150

Correspondence

Mr. Brady: To ask the Chancellor of the Exchequer when he will reply to the letters from Ms Sue Owen which were sent to him on 28 January and 22 March. [80651]

Dawn Primarolo: A letter in response to Ms Owen's first letter was sent on 22 March 1999. A reply to the second letter has been sent today.

Housing Benefit

Mr. Cousins: To ask the Chancellor of the Exchequer, pursuant to his answer to the hon. Member for Bolton, West (Ms Kelly) on 23 March 1999, *Official Report*, column *201*, if he will estimate the number of *(a)* claimants of housing benefit who are of working age, *(b)* claimants of the working families tax credit and *(c)* current claimants of family credit, and the number and percentage of claimants of current family credit and future working families tax credit who also claim housing benefit. [80567]

Dawn Primarolo: The available information is contained in the tables:

Recipients of Family Credit and Housing Benefit in England, May 1998

	Number
Recipients of Housing Benefit where claimant is aged under 60 years	2,223,000
Recipients of Family Credit	654,000
Recipients of Family Credit and Housing Benefit	212,000
Percentage of Family Credit recipients with Housing Benefit	32 per cent.

Source:
Housing Benefit Management Information System annual enquiry, May 1998
Family Credit Statistics quarterly enquiry, May 1998

Estimates for Working Families Tax Credit and Housing Benefit for England, 1999–2000

	Number
Recipients of Working Families Tax Credit	1,050,000
Recipients of Working Families Tax Credit and Housing Benefit	190,000
Percentage of Working Families Tax Credit recipients with Housing Benefit	18 per cent.

PFI Initiative

Mr. Gibb: To ask the Chancellor of the Exchequer if he will publish the Second Review of the Private Finance Initiative by Sir Malcolm Bates. [79782]

Mr. Milburn *[holding answer 13 April 1999]:* I received Sir Malcolm's Review on 22 March. I will respond in due course.

VAT

Mr. David Atkinson: To ask the Chancellor of the Exchequer what recent representations he has received on ending VAT on the Bleep Alarm Service; and if he will make a statement. [81368]

Dawn Primarolo: One representation has been received recently about VAT on a personal alarm. Personal and other bleep alarms which enable people with disabilities to alert specified people or control centres that they are in distress are already fully relieved from VAT when bought by disabled people and charities which serve their needs.

Direct Tax Rates

Mr. Gibb: To ask the Chancellor of the Exchequer if he will list each of the possible direct tax rates for *(a)* individuals and *(b)* companies. [81705]

Dawn Primarolo: Rates of tax are set to raise revenue, with due regard to the Government's stated objectives of raising productivity, increasing employment opportunity and building a fairer Society.

By April 2000 Income Tax rates will have reduced to 10p, 22p and 40p.

By April 2000 Corporation Tax rates will have reduced to 10p, 20p and 30p.

Rates of Capital Gains Tax (CGT) and tax on savings income are 20p and 40p.

Inheritance Tax has a 40 per cent. rate.

Rates of tax on dividends are 10p and 32½ per cent.

Levels of personal allowances, higher rates of allowances for pensioners, the new Children's Tax credit, CGT taper relief, capital allowances and Individual Savings Accounts (ISAs) are just some examples of measures which mean that actual tax paid by taxpayers is much lower, and even negative in some cases.

Married Couples Allowance

Mr. MacShane: To ask the Chancellor of the Exchequer what would have been the value to a basic rate taxpayer of the non-aged married couples allowance and the linked allowance in 1990 to 2000 if the allowance had been indexed every year since its introduction in 1990 and given at the basic rate of tax. [81727]

Dawn Primarolo: The information is given in the table:

	Indexed level of 1990–91 non-aged married couple's allowance (£)	*Basic rate of income tax (per cent.)*	*Value to a basic rate taxpayer (£)*
1990–91	1,720	25	430.00
1991–92	1,910	25	477.50
1992–93	1,990	25	497.50
1993–94	2,070	25	517.50
1994–95	2,110	25	527.50
1995–96	2,160	25	540.00
1996–97	2,250	24	540.50
1997–98	2,300	23	529.00
1998–99	2,390	23	549.70
1999–2000	2,470	23	568.10
2000–01	2,510	22	552.20

Queen's Counsel

Mr. Dismore: To ask the Chancellor of the Exchequer if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81785]

Ms Hewitt: In determining the level of counsel to use either for legal proceedings or when seeking legal advice, the Treasury will consider the individual circumstances of each case. They will take into account, *inter alia*, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

The Treasury has instructed Queen's Counsel on four occasions in the last three years—twice in 1996–1997, once in 1997–1998 and once in 1998–1999. The total costs in the first three cases were £6,100; no fee note has yet been received in the latest case.

Inland Revenue

Mr. Gibb: To ask the Chancellor of the Exchequer, pursuant to his answer of 19 April 1999, *Official Report*, column *425*, on the Inland Revenue, if he will list those circumstances referred to where it might become clear after the taxpayer had appealed against a section 19A notice that section 20 was in fact the more appropriate. [82204]

Dawn Primarolo: It is impossible to provide such a list; circumstances depend on cases, and there is an infinite number of actual and hypothetical cases. If the hon. Member has a specific example in mind I would be happy to respond if he would provide me with the relevant details.

Taxation

Mr. Gibb: To ask the Chancellor of the Exchequer, pursuant to his answer of 16 April 1999, *Official Report*, column *387*, on income tax, how much tax an individual who pays a marginal rate of tax of 10 per cent. will have to pay as a result of making a covenanted payment to charity under an existing covenant in place prior to 5 April. [82202]

Dawn Primarolo: As has always been the case, covenantors will continue to be liable to pay tax at the basic rate on an amount of their income equal to the amount of the covenanted payment before deduction of tax. This applies whether the covenant existed at 5 April or is entered into after that date.

EU Budget

Mr. Bercow: To ask the Chancellor of the Exchequer how much new money has been allocated to EU budget subsection B3 established in the first Supplementary Amending Budget (1999/211/EC-OJ L81, 26.3.99); and what is the policy of the Government in respect of that. [82233]

Ms Hewitt: 14.5 million ecus in payment appropriations were added to subsection B3 of the 1998 EC budget in the supplementary amending budget for 1998. These appropriations cover higher than expected payments in 1998 in respect of existing commitments. The Government agreed with this increase simply in order that the Community should be able to meet its existing obligations.

Advance Pricing Agreement

Mr. Gibb: To ask the Chancellor of the Exchequer if he will publish the results of the advance pricing agreement consultation process. [82405]

Dawn Primarolo: Yes. In a Press Release dated 17 December 1998 comments were invited on draft clauses relating to Advance Pricing Agreements by 31 January 1999 and on a draft Statement of Practice by 31 March 1999. That Press Release stated that the Inland Revenue will provide feedback about the comments received, and that copies of comments will be made available on request.

Taxpayers

Mr. Gibb: To ask the Chancellor of the Exchequer if he will estimate the number of taxpayers who have taken advantage of *(a)* ESC D15, *(b)* ESC D16, *(c)* ESC D22 and *(d)* ESC D39 in (i) 1992–93, (ii) 1993–94, (iii) 1994–95, (iv) 1995–96, (v) 1996–97, (vi) 1997–98 and (vii) 1998–99. [82406]

Dawn Primarolo: The information is not held centrally and could be obtained only at disproportionate cost.

Anti-avoidance Rule

Mr. Gibb: To ask the Chancellor of the Exchequer if he will publish the results of the General Anti-avoidance Rule and Mini-GAAR consultation process. [82404]

Dawn Primarolo: The Chancellor said in a Budget Day Press Release that the General Anti-avoidance Rule (GAAR) for corporate direct tax remains an option for the future if more targeted legislation proves ineffective in dealing with the problem of avoidance, but that the Government would not be proceeding with a GAAR in this Budget or with a mini-GAAR for VAT on

construction services. The Chancellor has asked Customs to consider a mini-GAAR in the area of the VAT grouping facility.

The responses to the consultative documents (other than those made confidentially) may be inspected at the head offices of the Inland Revenue or Customs and Excise.

Tuition Fees

Mr. Green: To ask the Chancellor of the Exchequer what plans he has to introduce tax relief for tuition fees paid by mature students. [82328]

Dawn Primarolo: The Chancellor announced in the Budget that the national framework for Individual Learning Accounts (ILAs) is to be launched in the year 2000. Under this framework, individuals will be able to obtain 20 per cent. discounts, rather than tax relief, on the first £500 a year of eligible learning which they pay for—with 80 per cent. discounts for certain key courses, including computer literacy. Contributions paid by employers into employees' ILAs will qualify for a deduction from taxable profits and will be tax and NICs free in the hands of their employees, provided employers contribute to the ILAs of their lowest paid workers on similar terms.

ILAs will replace vocational training relief (VTR), which is currently available to individuals paying for their own vocational training. In the Budget, VTR at the higher rate was withdrawn for payments made on or after 6 April 1999, and will be abolished completely some time in 2000–01.

There are no plans for ILAs to cover full-time courses or Higher Education tuition fees which are already subsidised by the taxpayer.

Sports Orders

Mr. Maude: To ask the Chancellor of the Exchequer if he will revise Table C.1 of the Financial Statement and Budget report, March 1998, to take account of the timing of the implementation of the VAT (Sports, Sports Competitions and Physical Education) (No.2) Order 1998. [82310]

Dawn Primarolo: When the new order is laid before Parliament, the revenue effects will be included in the equivalent of Table 1B.1 of the Financial Statement and Budget Report March 1999, providing they are non-zero and non-negligible in the relevant years.

Mr. Maude: To ask the Chancellor of the Exchequer what organisations were consulted by Customs and Excise during the drafting of the VAT (Sport, Sports Competitions and Physical Education) (No. 2) Order 1998. [82318]

Dawn Primarolo: Customs have had discussions on the draft Value Added Tax (Sport, Sports Competitions and Physical Education) Order 1999 with the Central Council of Physical Recreation, the English Golf Union, the National Golf Clubs' Advisory Association and the Chartered Institute of Taxation.

Mr. Maude: To ask the Chancellor of the Exchequer when he intends to implement the VAT (Sport, Sports Competitions and Physical Education) (No.2) Order 1998. [82317]

Dawn Primarolo: H.M. Customs and Excise are considering comments received on the draft Value Added Tax (Sport, Sports Competitions and Physical Education) Order 1999 published on 14 January 1999.

Mr. Maude: To ask the Chancellor of the Exchequer what estimate he has made of the annual difference in revenue raised between the VAT (Sport, Sports Competitions and Physical Education) Order 1998 and the VAT (Sport, Sports Competitions and Physical Education (No.2) Order 1998; and if he will make a statement. [82319]

Dawn Primarolo: An estimate will be made when an announcement is made about The Value Added Tax (Sport, Sports Competitions and Physical Education) Order 1999.

Fuel Smuggling

Mr. William Ross: To ask the Chancellor of the Exchequer what estimate he has made of the sums lost to the Revenue as a consequence of the smuggling of (i) petrol and (ii) diesel fuel into Northern Ireland from the Irish Republic in each quarter for each of the last three years and the current year up to 31 March. [82215]

Ms Hewitt *[holding answer 26 April 1999]*: The collection of excise duty is the responsibility of HM Customs and Excise. Customs do not have sufficient reliable information on which to base a published estimate for the revenue lost to the Exchequer through such activity.

New Policies

Mr. Hawkins: To ask the Chancellor of the Exchequer what new policies were announced by the Economic Secretary in her speech on Financial Exclusion at the Dorchester Hotel; what his policy is on appropriate venues for announcing new policies; and if he will make a statement. [82267]

Ms Hewitt: No new policies were announced.

Self-employed Builders

Mr. Woolas: To ask the Chancellor of the Exchequer what plans he has to reduce the level of turnover for the 714c Certificate for self-employed builders in the construction industry scheme. [82484]

Dawn Primarolo: The Government have no plans to reduce the turnover thresholds which determine whether a self-employed builder is eligible for a gross payment certificate under the new construction industry scheme. The thresholds were established after full consultation with the representative bodies from all sectors of the construction industry, who broadly support them.

SCOTLAND

School Buildings

7. **Mr. Nigel Griffiths:** To ask the Secretary of State for Scotland what resources are being made available for school buildings and refurbishment in Scotland in the current financial year. [80995]

Mrs. Liddell: Of the £1.3 billion additional expenditure on education in Scotland over the next three years, £629 million is available for schools. Gross capital resources allocated to authorities for 1999–2000 amount to £377.3 million to cover all their non-housing capital programmes. Within these programmes, priority will be given to improving and replacing school buildings, consistent with the outcome of the Comprehensive Spending Review. In addition, £26.7 million is available directly under the New Deal for Schools.

From 1 July 1999, this will be a matter for the Scottish Parliament.

One-stop Clinics

15. **Mr. Ernie Ross:** To ask the Secretary of State for Scotland how many one-stop NHS clinics are currently operating in Scotland. [81004]

Mr. Galbraith: There are now over 80 one-stop clinics in Scotland offering help for a wide range of worrying conditions.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Nuclear Waste

16. **Mr. Grieve:** To ask the Secretary of State for Scotland to which Minister of the Crown an hon. Member should direct a question relating to the disposal of nuclear waste in England, originating from Coulport or Faslane and currently subject to his authorisation, after 1 July. [81005]

Mr. Dewar: Disposals of waste from Ministry of Defence premises are subject to letters of agreement between the regulator and the applicant. These will remain matters for my right hon. Friend the Secretary of State for Defence. More generally, matters relating to the Radioactive Substances Act 1993 will be for the First Minister.

Haulage Industry

17. **Mr. Syms:** To ask the Secretary of State for Scotland when he last met representatives of the haulage industry in Scotland to discuss the state of the industry. [81006]

Mr. Macdonald: My right hon. Friend the Secretary of State for Scotland met representatives of the haulage industry and unions on Thursday 8 April to discuss the state of the industry.

18. **Sir Robert Smith:** To ask the Secretary of State for Scotland what representations he has made to the Chancellor of the Exchequer on the economic consequences for Scotland of the recent rise in taxes affecting the road haulage industry. [81007]

Mr. Macdonald: My right hon. Friend the Secretary of State meets regularly with my right hon. Friend the Chancellor of the Exchequer and discusses with him a range of issues which affect Scotland.

Drug Misuse Education

19. **Mrs. Ann Winterton:** To ask the Secretary of State for Scotland if he will make a statement on the provision of drug misuse education in Scottish schools. [81008]

Mrs. Liddell: The Government provide extensive advice and support to schools on drug education within the curriculum; our recently published drugs strategy 'Tackling drugs in Scotland: Action in Partnership' will ensure that this reaches every pupil.

Ferry Fares

20. **Mrs. Ray Michie:** To ask the Secretary of State for Scotland what meetings he has had with representatives of Caledonian MacBrayne to discuss this year's increases in ferry fares. [81009]

Mr. Macdonald: I met with the Chairman and Managing Director of Caledonian MacBrayne Ltd. on 20 October 1998 to discuss a number of matters, including the company's proposals on the level of fares increase. In November last year CalMac announced its fares increase for 1999–2000 of, on average, 2.7 per cent. This took effect in April and represents the lowest network-wide increase for 10 years.

Road Fuel Duty

21. **Mr. Swinney:** To ask the Secretary of State for Scotland what assessment he has made of the impact of the increase in road fuel duty on the Scottish economy. [81010]

Mr. Macdonald: Road fuel duty is a matter for the Chancellor of the Exchequer.

The changes are part of a package of measures outlined in the Chancellor's recent Budget designed to create a climate of sustainable economic growth and long-term investment in business, both in Scotland and in the UK as a whole.

We are conscious that road fuel prices can be higher in remote rural areas. I have brought that difference in price to the attention of the Office of Fair Trading, who are currently investigating the matter. Last year the Chancellor provided £13.5 million over three years to provide for a Rural Transport Fund to extend the range of public transport services in rural communities. The fund will now be worth more than £14 million in the three years from 1998–99, to support better public transport in rural areas of Scotland and to help rural petrol stations meet the costs of tank replacement. The Chancellor also announced a reduction by £55 to £100 in Vehicle Excise Duty for smaller cars.

Licensing Laws

22. **Mr. Grogan:** To ask the Secretary of State for Scotland what assessment he has made of the impact of the liberalisation of the licensing laws in Scotland in the 1970s on the nation's health, crime levels and quality of life. [81011]

Mr. McLeish: Available research suggests that the percentage of the population Consuming alcohol in Scotland has not altered significantly since the introduction of the Licensing (Scotland) Act 1976. However, the Government's White Paper on Public Health, "Towards a Healthier Scotland", published in February identified an upward trend in excessive drinking among adults and young people. The Government's crime strategy document, "A Safer Scotland, Tackling Crime and Its Causes" recognised the need to explore the links between anti-social

behaviour, crime and alcohol and the adverse health effects of alcohol misuse within the context of a new national strategy on alcohol. This will be developed and implemented by the newly formed Scottish advisory committee on alcohol misuse.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Freight Cargo (Prestwick)

24. **Ms Osborne:** To ask the Secretary of State for Scotland if he will assess the economic benefit to Ayrshire of freight cargo transported from Glasgow Prestwick Airport. [81014]

Mr. Macdonald: The growth in freight cargo traffic at Glasgow Prestwick Airport in recent years has been impressive. The airport now handles more freight tonnage from wide-bodied freighter traffic than any other airport in the UK. The current freight services link Scotland with major points around the globe thus providing Scottish industries with direct, fast air links for import and export.

Modern Apprenticeship Scheme

26. **Mr. Donohoe:** To ask the Secretary of State for Scotland what assessment he has made of the impact of the proposed expansion of the modern apprenticeship scheme. [81016]

Mr. Macdonald: We are well on the way to meeting the target of 15,000 Modern Apprenticeships by 2002 which was set in the Lifelong Learning Paper, "Opportunity Scotland". There are now 10,500 Modern Apprentices training, and 67 industry-designed frameworks in Scotland. Modern Apprenticeships will make an important contribution to raising skills in the work force.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Job Losses

27. **Mr. Randall:** To ask the Secretary of State for Scotland if he will make a statement about the rate of job losses in Scotland in the current year. [81017]

Mr. Macdonald: The latest official figures on the number of employee jobs in Scotland are available from the Civilian Workforce Jobs Series for the period to December 1998. Seasonally adjusted data show that the number of employee jobs has increased by 38,000 between June 1997 and December 1998.

From 1 July 1999, economic development will be a matter for the Scottish Parliament.

Voluntary Organisations

28. **Mr. Gorrie:** To ask the Secretary of State for Scotland what measures he has taken to ensure that voluntary organisations receive funding to enable them to continue the provision of services. [81018]

Mr. Galbraith: The importance of voluntary organisations in helping to deliver services is already recognised in the high level of funding which is provided by the Government. Scottish Office funding for the sector totals nearly £283 million a year, with £23 million in direct aid and a further £260 million provided through other funded agencies. These funds support organisations working in the fields of social welfare, health promotion, homelessness, the provision of social housing, rural poverty and urban deprivation.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Unemployment Statistics

Mr. Fabricant: To ask the Secretary of State for Scotland if he will make a statement on the latest unemployment figures for Scotland. [81012]

Mr. Macdonald: ILO unemployment (not seasonally adjusted) in Scotland fell by 5,000 over the year to December 1998-February 1999 to 179,000. The rate of ILO unemployment fell by 0.1 percentage points to 7.2 per cent.

Kvaerner Group

Dr. Godman: To ask the Secretary of State for Scotland what action he is taking to protect the jobs of those currently employed in the Kvaerner group in Scotland. [81015]

Mr. Macdonald: A Task Force has been established to identify potential purchasers of the shipyard at Govan, the engineering works at Clydebank and any other Scottish business affected by the Kvaerner announcement and to report its findings to the Scottish Office.

Sir Gavin Laird is chairing the Task Force. Other members are Mr. David Smith, former Commercial Director of the Govan shipyard, Mr. Malcolm Clark, former President of Keystone International in the USA, and Mr. Bill Scott, former Director of Ferguson Shipbuilders Ltd. The work of the Task Force will be given the full support of the Scottish Office and it will be able to call on whatever additional and specialist support it requires. Kvaerner has given a commitment to give the Task Force its wholehearted support.

Women's Refuges

Ms Roseanna Cunningham: To ask the Secretary of State for Scotland how much money he has allocated to the provision of women's refuges over the past three years. [80997]

Mrs. Liddell: Local authorities are responsible for the financial support of women's refuges as they are best placed to consider the priorities and care needs of the population within their area. The Government have provided substantial resources to enable authorities to meet their social work and housing responsibilities. In addition, we have provided £200,000 under the Urban Programme (now the Social Inclusion Partnership Fund) in the three years to March 1998 specifically for Council support of women's refuges.

In the three years to March 1999, the Scottish Office provided grants of over £664,000 to Scottish Women's Aid, the national voluntary organisation to which the majority of local women's aid refuges are affiliated. We

provided an additional £150,000 earlier this year following the public response to the recent domestic abuse advertising campaign.

From 1 July 1999, these matters will be for the Scottish Parliament.

LORD CHANCELLOR'S DEPARTMENT

Lockerbie

33. **Mr. Dalyell:** To ask the Minister of State, Lord Chancellor's Department if he will list his responsibilities in relation to the trial of the Lockerbie suspects in the Netherlands following the transfer of powers to the Scottish Parliament. [81023]

Mr. Hoon: I have no responsibilities in relation to the Lockerbie trial. The transfer of powers to the Scottish Parliament will not affect that position.

Judicial Review (Hearings)

34. **Mr. Gareth Thomas:** To ask the Minister of State, Lord Chancellor's Department if he will make a statement on the Government's proposals to enable judicial review hearings to be heard in regional centres outside London. [81024]

Mr. Hoon: As of 1 July, judicial review cases involving Welsh devolution issues could be initiated and heard in Wales. On 22 March the Lord Chancellor announced a Review of whether judicial review cases should be heard in regional centres outside London.

Shrievalty (Reform)

35. **Mr. David Heath:** To ask the Minister of State, Lord Chancellor's Department what plans he has to reform the shrievalty. [81025]

Mr. Hoon: Sheriffs have a role in the enforcement of High Court judgments. A review of enforcement is currently being undertaken by this Department, which will examine that role in some detail, particularly during the Review's second stage, starting in June 2000 Any proposals affecting the Sheriffs will be subject to public consultation.

Small Claims Court

36. **Mr. Bercow:** To ask the Minister of State, Lord Chancellor's Department what assessment he has made of the effectiveness of small claims court procedures. [81027]

Mr. Hoon: The Lord Chancellor's Department commissioned research into the small claims procedure from Professor John Baldwin. This was published in December 1997. Professor Baldwin found that at least three quarters of the litigants interviewed, who had been involved in small claims, were content with the way their cases had been handled in court. This included some who had lost their cases as well as those who had won.

Queen's Counsel (Appointments)

39. **Mr. Gordon Prentice:** To ask the Minister of State, Lord Chancellor's Department what was the shortest time a barrister has spent in practice before being appointed a QC since 1969. [81031]

Mr. Hoon: According to available departmental records, the shortest period that has elapsed, since 1969, between the date to call to the Bar of England and Wales and the award of Queen's Counsel is six years. This applicant, however, had previously spent many years in practice in another jurisdiction.

Personal Injury Cases

40. **Mr. Cousins:** To ask the Minister of State, Lord Chancellor's Department what action the Government are taking to ensure adequate insurance cover for fees to undertake personal injury cases. [81032]

Mr. Hoon: Insurance products have been available for almost four years and at least 55,000 policies have been issued in that period. In the last 18 months more products have emerged, including one by a major insurers in the last month.

I and my officials continue to hold discussions with the insurance industry to enable them to take decisions about whether to create newer, even better products. I am satisfied that people with good personal injury claims will be able to secure insurance to underpin a conditional fee agreement offered by their lawyer.

Judiciary (Interests)

41. **Mr. Dismore:** To ask the Minister of State, Lord Chancellor's Department if he will introduce a register of interests for the judiciary. [81033]

Mr. Hoon: The Lord Chancellor has no present plans to introduce a register of interests for the judiciary.

Court Proceedings

Mr. Sheerman: To ask the Minister of State, Lord Chancellor's Department what steps he is taking to make court proceedings less formal. [81028]

Mr. Hoon: The Government are aiming to create an open, fair and accessible justice system. In civil proceedings, the civil justice reforms, introduced yesterday, will provide rules in plain English; extend the simple and informal small claims procedure, and encourage greater use of alternative dispute resolution.

In criminal proceedings, the Government are considering ways to help change the culture in the youth courts, to make them less adversarial and more understandable for those involved. The Youth Justice and Criminal Evidence Bill contains a number of measures directed at enabling vulnerable or intimidated witnesses to give their best evidence. These include the power to order the removal of wigs and gowns where appropriate.

Legal Aid

Mr. Kidney: To ask the Minister of State, Lord Chancellor's Department what assessment he

has made of the proportion of the legal aid budget in 1998–99 spent on individual cases of exceptionally high cost. [81030]

Mr. Hoon: Assessing the proportion of the legal aid budget spent during any particular financial year on individual cases of exceptionally high costs would not provide any useful analysis, since payments are spread over the lifetime of a case, which may extend to a number of years. Additionally, a civil case may not result in any cost to the Fund if, at the end of the case, all costs and damages are recovered.

Monmouth County Court

Mr. Edwards: To ask the Minister of State, Lord Chancellor's Department what proposals he has to close Monmouth County Court; and what representations he has received opposing these proposals. [81856]

Mr. Hoon: On 8 March 1999, the Lord Chancellor granted permission to open public consultation, over a two month period, on a proposal to close Monmouth County Court. As at 21 April, 4 representations had been received, 3 of which oppose the proposal to close.

Judges' Council

Mr. Dismore: To ask the Minister of State, Lord Chancellor's Department from what funds the *(a)* costs of administration and *(b)* expenses of members the Judges' Council are met; and, for each of its last three years, what was the total cost of the Judges' Council. [82340]

Mr. Hoon: The secretariat for the Judges' Council is provided by the Lord Chief Justice's Private Office as a small part of its regular duties. The costs are not identifiable separately. No expenses are payable to members of the Judges' Council.

Mr. Dismore: To ask the Minister of State, Lord Chancellor's Department (1) if he will make a statement on the process of appointments of members of the Judges' Council; [82338]

(2) if he will list the members of the Judges' Council, indicating their positions; [82337]

(3) to whom the Judges' Council is accountable; and if he will make a statement. [82350]

Mr. Hoon: The Judges' Council is an independent body without a formal constitution. It has no statutory basis, exercises no executive functions and controls no public expenditure. It meets to discuss issues of concern to the senior judiciary and to represent the views of the senior judiciary to the Lord Chancellor and other individuals and bodies. It is wholly independent of Government and is accountable only to those whose views it represents. Its membership is a matter for the Council itself and those whose views it represents.

Mr. Dismore: To ask the Minister of State, Lord Chancellor's Department what *(a)* instructions and *(b)* advice has been issued by the Judge's Council concerning membership of pressure groups as a disqualification from sitting as a judge; what pressure groups have been identified by the Judges' Council in such instructions and advice; and if he will make a statement. [R] [82339]

Mr. Hoon: The Judges' Council does not issue instructions to anyone. I understand that it has recently, on request, given advice to individual part-time judges about declaring their membership of particular professional organisations, in any case where such membership might give rise to a potential conflict of interest. The Council is wholly independent of Government and any advice it may offer to others is not a matter for the Lord Chancellor's Department.

INTERNATIONAL DEVELOPMENT

Kosovo

Mr. Llew Smith: To ask the Secretary of State for International Development what has been the value of humanitarian aid provided to Kosovan refugees organised or administered by her Department *(a)* from October 1998 to 23 March and *(b)* since 23 March; and what plans she has to increase the scope of humanitarian assistance. [81943]

Mr. Foulkes: We committed £3 million for the period June 1998 to March 1999 for programmes of humanitarian assistance to displaced persons and refugees affected by the conflict in Kosovo. No additional allocations were made between October 1998 and 23 March 1999. Since March 23, the Government have committed a further £20 million for assistance to the Kosovo refugees.

Our field offices in Tirana and Skopje are currently identifying priorities for future assistance. We are also ready to provide help for those in need within Kosovo as soon as secure access can be guaranteed.

Mr. Llew Smith: To ask the Secretary of State for International Development what estimate her Department has made of the number of refugees who *(a)* left Kosovo up to 24 March and *(b)* have left Kosovo since 24 March; and what sources it uses to make such estimates. [81920]

Mr. Foulkes: Our primary source for estimates of refugee numbers is the Office of the United Nations High Commissioner for Refugees. It estimates that 69,500 refugees left Kosovo for neighbouring states as a result of internal conflict up to 24 March 1999: and that a further 530,500 have left since 24 March, as at 26 April.

Zimbabwe (AIDS)

Mr. Gordon Prentice: To ask the Secretary of State for International Development what assistance she is giving to the Government of Zimbabwe to help them to combat AIDS. [81858]

Mr. Foulkes: Our programme in Zimbabwe includes major projects for the supply and social marketing of male and female condoms, and training health workers in treatment and prevention of sexually transmitted diseases. We are also supporting a community-based AIDS awareness programme known as "Stepping Stones". We welcome President Mugabe's recognition of the AIDS issues in his Independence Day speech, and the establishment of a National AIDS Coordinating Council. This will provide a basis for discussions of further support, consistent with our new Country Strategy Paper.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for International Development if she will make a statement on her Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions her Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81768]

Mr. Foulkes: The Crown Prosecution Service, the Treasury Solicitor's Department, the Serious Fraud Office and the Legal Secretariat to the Law Office predominantly use Junior Counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

In civil cases, the two First Treasury Counsel are both Junior Counsel and they will advise and represent the Government without a Queen's Counsel in many of their important cases. In addition, the Attorney-General maintains four panels of Junior Counsel whom departments are expected to use for the majority of the government's civil litigation. The Attorney-General's, or Solicitor-General's, approval is required before a Queen's Counsel can be instructed to appear for any Government Department in civil litigation.

A panel of Senior Treasury Counsel and the Junior Treasury Counsel, who are all Junior Counsel, exists in London to provide advice in more significant criminal case work, and to handle most serious and complex work at the Central Criminal Court. More generally, the Crown Prosecution Service maintains circuit-based lists of Junior Counsel to conduct almost all its criminal casework in the Crown Court in England and Wales. Outside London, Queen's Counsel are instructed in all contested murder cases, and occasionally in other very serious or complex casework prosecuted by the Crown.

In determining the level of counsel to use, the Department will consider the individual circumstances of each case. It will take into account, inter alia, the importance and sensitivity of the case, and the complexity of the law, the weight and complexity of the evidence, and the degree or experience and expertise required before deciding whether to instruct Queen's Counsel or Junior Counsel.

The number of occasions on which the Department for International Development has instructed Queen's Counsel in the last three years, and the cost of doing so, cannot be given without incurring disproportionate cost.

Organ Transplants (Living Donors)

Mr. Gordon Prentice: To ask the Secretary of State for International Development what steps she is taking to prevent the sale of human body parts from living donors; and what assessment she has made of the prevalence of this practice. [81859]

Mr. Foulkes: The World Health Organisation regulates the use of human organs for transplantation. The Department has no information on the prevalence of the practice of selling human body parts from living donors.

Overseas Debt

Ms Drown: To ask the Secretary of State for International Development how much debt was owed to her Department by each individual debtor country at 31 December 1998. [82006]

Mr. Foulkes: The debts outstanding to the Department for International Development as of 31 December 1998 are as follows:

£000

Country	*Principal*	*Interest*	*Total*
Antigua and Barbuda	1,687	—	1,687
Belize	11,928	—	11,928
Brazil	1,692	382	2,074
Cameroon	67	—	67
Cayman Islands	188	—	188
Colombia	170	—	170
Costa Rica	766	93	859
Cyprus	131	—	131
Ecuador	7,783	3,935	11,718
India	5,806	—	5,806
Jamaica	29,133	10,576	39,709
Liberia	77	1	78
Malaysia	2,903	282	3,185
Nigeria	4,907	24	4,931
Paraguary	1,874	—	1,874
Phillipines	2,702	145	2,847
Seychelles	7,886	824	8,710
St. Kitts	2,303	—	2,303
St. Vincent	3,421	—	3,421
Swaziland	1,538	—	1,538
Turkey	24,016	4,771	28,787
Zimbabwe	11,334	557	11,891
Total	122,312	21,590	143,902

Our Department has cancelled the debts of over 30 countries, worth over £1.2 billion since 1978. In September 1997, we launched the Commonwealth Debt Initiative, announcing that we were willing to cancel the remaining aid debt due to the UK from lower income Commonwealth countries to those countries which are committed to the International Development Goals and are following sound economic policies which benefit the poor, and which promote responsive and accountable government, encourage transparency and bear down on corruption.

Written Answers to Questions

Wednesday 28 April 1999

PRIME MINISTER

Arms Ban (Yugoslavia)

Mr. Bercow: To ask the Prime Minister if he will make a statement on UK participation in the enforcement of the arms ban on the Federal Republic of Yugoslavia, set out in UN Security Council Resolution 1160. [82294]

The Prime Minister: The United Kingdom fully supports the UN arms embargo on the Federal Republic of Yugoslavia, which was imposed by UNSCR 1160. The embargo is implemented in the UK by means of the Federal Republic of Yugoslavia (United Nations Sanctions) Order 1998 and is rigorously enforced.

In addition, the UK participates in international monitoring of the arms embargo through the European Community Monitoring Mission (ECMM).

Al Shifa Factory

Mr. Dalyell: To ask the Prime Minister if he will place in the Library his answer to the letter from Mr. Tim Pendry of 29 March concerning the Al Shifa factory. [81906]

The Prime Minister *[holding answer 26 April 1999]:* I have asked the Foreign and Commonwealth Office to reply on my behalf. A copy of Mr. Fatchett's reply will be placed in the Library in due course.

European Council (Accountability)

Mr. Bercow: To ask the Prime Minister what is his *(a)* policy towards and *(b)* definition of full accountability and absolute transparency in the European Commission, as set out as future Commission policy by President-nominate Prodi; and what representations he has made on the subject. [82478]

The Prime Minister: The Government agree with Mr. Prodi that the European Commission should be made more accountable, more transparent and more efficient. Achieving this will require a fundamental overhaul of the commission's financial control systems, as well as reform of its personnel policies and its management structures.

We have already shared specific reform ideas with partners. Heads of State and Government discussed plans for reform with Mr. Prodi on 14 April. They will continue their discussions on the basis of proposals put forward by Mr. Prodi at the Cologne European Council in June.

Europe Day

Mr. Bercow: To ask the Prime Minister what activities are planned by *(a)* the Government and *(b)* the European Commission in the United Kingdom to mark Europe Day. [82476]

The Prime Minister: On Europe Day, 9 May, the European flag will fly alongside the Union Jack from Government buildings and in Parliament Square.

As on Europe Day every year, the European Commission Representation in the United Kingdom will be holding a reception.

NATO

Mr. Gordon Prentice: To ask the Prime Minister, pursuant to his statement of 26 April 1999, *Official Report*, columns 21–36, what are the elements of the new membership action plan for aspiring members of NATO. [82627]

The Prime Minister: The elements of the Membership Action Plan are set out in NATO Press Communique NAC-S(99)66, which was deposited in the Library of the House on 26 April.

Engagements

Sir Peter Tapsell: To ask the Prime Minister if he will list his official engagements for Wednesday 28 April. [82048]

The Prime Minister: This morning I had meetings with Ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

PRESIDENT OF THE COUNCIL

Department Legal Business

Mr. Dismore: To ask the President of the Council if she will make a statement on her Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81763]

Mrs. Beckett: The Privy Council Office rarely, if ever, institutes legal proceedings, but is from time to time required to respond to proceedings initiated by third parties. In such cases the Department would be advised by the Treasury Solicitor's Department on the need to instruct counsel. However, there have been no recent instances (and none within the last three years) when it has been necessary to instruct counsel on behalf of my Department.

CULTURE, MEDIA AND SPORT

Digital Television

Mr. Gordon Prentice: To ask the Secretary of State for Culture, Media and Sport what estimate he has made of when digital terrestrial television will reach *(a)* 70 per cent., *(b)* 80 per cent. and *(c)* 90 per cent. of the population. [82150]

Janet Anderson: Responsibility for the delivery of digital terrestrial television (DTT) services in the UK rests with the BBC and ITC. The Launch phase for DTT, which

comprises 81 transmitters, is expected to be rolled out by the year 2000. The table gives the existing and final predicted coverage for each multiplex.

		Percentage
Multiplex	*Existing coverage*	*Final predicted coverage*
BBC Multiplex	75.6	90
Digital Channels 3 and 4	75.5	89
SDN and Channel 5	75.0	88
ONdigital (Mux B)	74.2	86
ONdigital (Mux C)	65.7	77
ONdigital (Mux D)	62.2	73

Cable Television

Mr. Gordon Prentice: To ask the Secretary of State for Culture, Media and Sport what percentage of the land area of urban England is cabled. [82151]

Janet Anderson: I understand from the Independent Television Commission that over 53 per cent. of all homes in England now have cable available to them. This represents 57 per cent. of homes in urban England.

Millennium Company (Sponsorship)

Mr. Stringer: To ask the Secretary of State for Culture, Media and Sport what is the total amount of cash receipts in sponsorship received by the Millennium Company up to 31 March. [81744]

Janet Anderson *[holding answer 26 April 1999]:* I refer my hon. Friend to the reply I gave to the hon. Member for East Surrey (Mr. Ainsworth) on 21 April 1999, *Official Report*, columns 577–78.

BBC (Ethnic Minorities)

Mr. Vaz: To ask the Secretary of State for Culture, Media and Sport what plans he has to set targets for the BBC in relation to the employment of Black and Asian people. [82325]

Janet Anderson: We have no such plans. The BBC is required to comply with employment and equal opportunities law and to report annually, in its Annual Report and Accounts, on compliance with the legal requirements. The Annual Report also provides details of progress towards meeting the ethnic targets set by the BBC's Board of Governors and on the proportion of ethnic minorities in management.

Chelsea Football Club

Mr. Spring: To ask the Secretary of State for Culture, Media and Sport what meetings the Minister for Sport has had since May 1997 with officials of Chelsea Football Club in his official capacity; and if he will list them. [81802]

Mr. Banks: As Minister for Sport, I have attended a number of events where Chelsea officials were present, and I have met officials from the club on the following occasions.

8 July 1997:

Meeting with David Blunkett to discuss a Study Centre linked to the Premier League (also in attendance was the President of Brazil and the then Brazilian Sports Minister, Pele). Representatives from many of the Premiership Clubs were in attendance, including Ken Bates, Chairman of Chelsea Football Club.

8 September 1997:

Meeting with Steve Keen, Lee Deegan, Leslie Smith and Colin Moore to discuss Chelsea Disabled Football Club.

I have very good relations with Mr. Bates and frequent discussions with him. In his role as an FA representative, he was involved in the discussions this Department had about the development of Wembley Stadium.

As part of the FA's Campaign to secure the 2006 World Cup, I have met with a number of FIFA Executive Committee members in this country and have accompanied some of them to Chelsea Football Club to tour the ground and view the impressive facilities there and at Chelsea Village.

World Cup

Mr. Spring: To ask the Secretary of State for Culture, Media and Sport what discussions he has had with FIFA about the suitability of English stadiums for the World Cup 2006 bid. [81804]

Mr. Banks: None. FIFA has well-established criteria for World Cup host venues.

As the hon. Member may be aware, the Football Association is required to nominate between eight and 12 stadiums as host venues in the bid document, which it will be submitting to FIFA in July. These stadiums will be subject to inspection by a FIFA Inspection Committee at the end of this year.

I understand that, following a detailed survey of potential venues, the Football Association has identified 15 stadiums which fulfil the FIFA criteria for World Cup venues and a further five that have the potential to be redeveloped in the run-up to the staging of the 2006 World Cup to meet the criteria.

The FA are, therefore, well placed to meet FIFA's stadium requirements. This bears testimony to the £565 million which football clubs in this country have spent on the redevelopment of their grounds over the past ten years, helped by £160 million from the Football Trust as a result of the reduction in Pool Betting Duty concession.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Herbicide-resistant Crops

Ms Drown: To ask the Secretary of State for the Environment, Transport and the Regions what assessment he has made of the effects of the introduction of herbicide-resistant crops on vulnerable species of birds. [80792]

Mr. Meacher: I am aware that many species of farmland bird are in decline in Britain and so I take very seriously the potential effect that the introduction of herbicide-resistant crops might have on these vulnerable species.

The Government have undertaken to fund a four year research programme into the effect of the management of genetically modified herbicide-resistant crops on farmland wildlife as announced in my answer on 15 April 1999, *Official Report,* columns *301–02.* These farm-scale evaluations will begin in spring 1999 and will consider spring and winter-sown oil seed rape and maize. The research programme will concentrate on monitoring the diversity and abundance of plants and invertebrates in GM herbicide-resistant crops compared with conventionally managed non-GM equivalents. It is not planned that birds will be included in the monitoring programme. However, existing research has been able to demonstrate connections between some bird populations and, for example, weed and insect abundance in crops. In this way, the results of the plant and invertebrate monitoring will be used to predict whether an adverse affect on bird populations is likely to occur.

Charities (Postal Costs)

Mr. Keetch: To ask the Secretary of State for the Environment, Transport and the Regions if he will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if he will make a statement. [80920]

Mr. Meale: Numerous responses have been received to my Department's consultation documents and we are grateful to the many organisations and individuals who have taken the time to let us have their views. My Department has no plans to pay postal costs incurred by organisations that responded.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for the Environment, Transport and the Regions if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81770]

Mr. Meale: The Department of the Environment, Transport and the Regions predominately uses junior counsel when it is necessary to instruct counsel to provide legal advice, as does the Treasury Solicitor when instructing counsel in court proceedings involving the Department.

The two First Treasury Counsel are both junior counsel and they will advise and represent the government without a Queen's Counsel in many of its important civil cases. In addition, the Attorney-General maintains four panels of junior Counsel whom departments are expected to use for the majority of the government's civil litigation. The approval of the Attorney-General or the Solicitor-General is required before a Queen's Counsel can be instructed to appear for any government department in civil litigation.

In determining the level of counsel to use (whether in connection with civil or criminal proceedings, or the provision of legal advice), the department will consider the individual circumstances of each case. It will take into account, amongst other things, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

The information as to cost is not held centrally and could be obtained only at disproportionate cost.

M4 (A38 Bridge)

Mr. Webb: To ask the Secretary of State for the Environment, Transport and the Regions if he will investigate the quality of repairs undertaken by the Highways Agency to the A38 Bridge over the M4 at Almondsbury in 1998; and if he will make a statement. [81956]

Ms Glenda Jackson: The repairs carried out in 1998 to the A38 bridge over the M4 at Almondsbury included road resurfacing and strengthening works necessary to ensure that the structure remained safe for future use.

The Highways Agency was not satisfied with the surfacing laid by the contractor and negotiations have led to that surface being replaced at no expense to the taxpayer. The repair work began on 19 April and subject to weather conditions should be completed within 2 weeks.

Congestion Charging

Mr. Fearn: To ask the Secretary of State for the Environment, Transport and the Regions when he last met representatives of the RAC to discuss congestion charging. [82255]

Ms Glenda Jackson: Ministers from the Department meet representatives of the Royal Automobile Club from time to time to discuss matters arising out of the Integrated Transport White Paper. The last such meeting, which was attended by my right hon. Friend the Minister of Transport, was on 19 January 1999.

Road Stress Maps

Mr. Fearn: To ask the Secretary of State for the Environment, Transport and the Regions what plans the Highways Agency has to update the existing motorway and trunk road stress maps. [82258]

Ms Glenda Jackson: The Highways Agency intends to publish in its 1998–99 Annual Report a map derived from Trafficmaster data showing congested sections of its network.

New stress maps for the motorway and trunk road network based upon a calculation of traffic flow and capacity will be published when the data for 1998 are available later this year.

A13

Mr. Mackinlay: To ask the Secretary of State for the Environment, Transport and the Regions what monitoring of air quality has been conducted, and what were the results thereof, in relation to the A13 and abutting residential areas, from the vicinity of Dagenham Dock to Central London; and if he will make a statement. [82034]

Ms Glenda Jackson *[holding answer 26 April 1999]:* Local air quality studies of the existing levels of pollutants were undertaken by the Highways Agency in 1992 and in

1998 in order to assess the potential effect of the proposed junction improvement schemes for this section of the A13. The most recent monitoring data were gathered in the vicinity of the A13/A112 Prince Regent Lane junction for the period January to May 1998. The pollutants monitored were Carbon Monoxide, PM10, Nitrogen Dioxide, Benzene and 1–3 Butadiene.

When compared with National Air Quality Strategy (NAQS) objectives, to be achieved in 2005, the monitoring data indicate that the objective for PM10 (50 microgrammes per cubic metre as a running 24 hour mean) is currently exceeded. However, as a non-standard measuring method was used, the scale of this likely exceedence cannot be certain. The 99 percentile of a running 24 hour mean over the monitoring period was 113 microgrammes per cubic metre at the roadside. Mean Nitrogen Dioxide measurements exceeded the value of the NAQS annual mean objective (21 ppb) and were made using the standard method. The mean roadside concentration was 38 ppb. It is therefore possible that the 2005 objective is currently exceeded but a longer period of monitoring would be needed to confirm this. Monitoring of the other pollutants indicated current levels below the 2005 objectives.

Local authorities are currently monitoring air quality more generally in their areas as part of the local air quality management process, with the aim of achieving the objectives of the NAQS by the year 2005. Where a local authority's review and assessment of local air quality indicates that air quality objectives are not likely to be met, then local authorities must declare Air Quality Management Areas. For each Air Quality Management Area, the local authority must draw up an action plan, setting out measures through which the objectives may be achieved.

Mr. Mackinlay: To ask the Secretary of State for the Environment, Transport and the Regions (1) what information he has obtained about the speed of traffic movements, congestion and impediments to mobility at peak times on the A13 from the vicinity of Dagenham Dock to Central London; and if he will make a statement; [82033]

(2) if he will convene a meeting of representatives of the Highways Agency, the London boroughs and the Traffic Section of the Metropolitan Police to examine what interim measures could be introduced to minimise traffic congestion and to maximise mobility in the westbound section of the A13 from the vicinity of Dagenham Dock to Central London; and if he will make a statement; [82031]

(3) what assessment his Department has made of the frequency and scale of congestion on the westbound A13 section from the vicinity of Dagenham Dock to Central London; and if he will make a statement. [82032]

Ms Glenda Jackson *[holding answer 26 April 1999]:* As these questions relate to operational matters, I have asked the Chief Executive of the Highways Agency, Mr. Lawrie Haynes, to write to my hon. Friend.

Letter from Lawrie Haynes to Mr. Andrew Mackinley, dated April 1999:

Thank you for the Parliamentary Questions that you have tabled on the subjects of congestion, traffic speeds, and mobility on the A13 from Dagenham Dock to Central London. As these are operational matters they have been passed to the Highways Agency for me to reply.

Traffic congestion on the A13, particularly during peak periods, is undoubtedly a problem. The Highways Agency employs a number of methods to monitor congestion on trunk roads such as the A13. These include the formulation of traffic stress maps (Narnas) which were reproduced in the Roads Review report "A New Deal for Trunk Roads in England". A copy of this document has been placed in the House of Commons library and I enclose copies of the London maps for your information. We are developing various ways of monitoring congestion from day to day including analysing data from traffic loops installed in the road and data supplied by Trafficmaster. However, none of these newer systems is yet in operation on the A13.

Traffic speed on the A13 is also an issue. Traffic speeds are monitored by DETR in a programme of speed surveys. Surveys of traffic speeds on the A13 were last carried out in 1995 and 1998. Although the 1998 survey results have not yet been published, provisional indications are that there has been a substantial fall in average speeds during peak times on the A13 between these two dates. This suggests that journey times are getting worse and congestion is increasing on the A13.

We hold regular meetings with representatives of the relevant London Boroughs to discuss the operation, maintenance and management of the A13 with the aim of making the best use of the available road space, to minimise congestion and maximise mobility. This is achieved by implementing a number of policies including ensuring that maintenance is carried out at off-peak times, undertaking small improvement schemes at junctions and optimising traffic signal timings. Acting as our maintaining agents the Boroughs also regularly meet officers from the Metropolitan Police to discuss these issues.

Demand for road space on the A13 does exceed capacity, particularly at peak times. We have nearly completed the construction of a major new route for the A13 extending from Dagenham Dock out to the M25 which will be fully open to traffic later this year. In addition tenders are being assessed for the A13 Thames Gateway Design, Build, Finance, and Operate (DBFO) project as part of the Government's roads programme. This project includes major junction reconstruction schemes at Movers Lane, the A117 near Beckton Alps and Ironbridge to Canning Town, which have been designed to ease congestion and reduce accidents on the A13 between Dagenham Dock and Central London. Subject to a satisfactory tender being accepted they are likely to be completed within five years of the letting of the DBFO contract, due to incentives provided to the DBFO company to programme the schemes early in their contract.

I hope that I have answered your questions to your satisfaction.

Landing Rights

Mr. Vaz: To ask the Secretary of State for the Environment, Transport and the Regions (1) if he will make a statement on bilateral discussions on landing rights between India and the UK; [82285]

(2) what representations he has received concerning landing rights for British airlines in India. [82284]

Ms Glenda Jackson: Representations have been received from UK scheduled and charter airlines and passengers concerning the restrictive nature of the air services arrangements between the United Kingdom and India. British Airways wishes to operate additional services to India and Virgin Atlantic also wishes to enter the UK-India market but neither can do so because there is insufficient capacity under the UK/India air services

arrangements. In addition, we have received reports that there has been overbooking on UK-India services and a significant number of passengers are having to travel by indirect routes.

We have been seeking to liberalise the arrangements. The last round of bilateral discussions took place in December 1996. Talks scheduled for September 1997 were postponed at the request of the Indian authorities. Despite repeated representations from the UK Government, no dates have been agreed for the next round of bilateral discussions.

SSSIs

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions if he will list the sites of special scientific interest that have been subject to inappropriate development since May 1997. [82495]

Mr. Meale: The English Nature Annual Report includes lists of all SSSIs damaged by development. Copies are available in the Library of the House covering the period up to 31 March 1998. Full information for the last financial year is not yet available.

Not all development on a site should be classed as inappropriate. English Nature will provide advice to local authorities on moving harmful development away from sensitive locations or imposing conditions on planning applications to remove or reduce adverse effects on SSSIs, in order to safeguard the special interest.

Helen Jackson: To ask the Secretary of State for the Environment, Transport and the Regions if he will issue guidance to local authorities on their powers in relation to the holding of major sports events in areas of special scientific interest. [82354]

Mr. Raynsford: Once a Site of Special Scientific Interest is notified, the land manager must consult English Nature on any activity likely to damage the features of special interest. For those activities requiring planning permission, guidance is provided for local planning authorities in Planning Policy Guidance Note 9, in relation to SSSIs and to other locally important wildlife sites.

Great Western Trains

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions how many passengers travelled on the lines currently run by Great Western Trains in each of the last 10 years. [82499]

Ms Glenda Jackson: The figures for passenger miles and passenger journeys for each of the last five years are shown in the table. Figures for the five years before that are not available.

million

Year	*Passenger miles*	*Passenger journeys*
1993–94	1,218	14
1994–95	1,139	14
1995–96	1,211.4	14.4
1996–97	1,270	15
1997–98	1,383.1	16.4

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions how many trains operated by Great Western Trains were cancelled in each of the last two years; and if he will estimate the number of passengers affected by these cancellations. [82493]

Ms Glenda Jackson: The Figures in the Franchising Director's Quarterly Bulletin (December 1998)—copies in the House Library—show that for the year ending December 1997 0.6 per cent. of trains were cancelled by Great Western Trains and that for the year ending December 1998 the figure was 1 per cent. It is not possible to estimate the number of passengers affected by these cancellations as these are walk-on services.

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions what is the timetable for the Government's negotiations with Great Western Trains for the extension, or termination, of their franchise. [82497]

Ms Glenda Jackson: The Great Western Trains Limited franchise agreement is for a period of 10 years from 4 February 1996. We made it clear at the Rail Summit in February that we are prepared to renegotiate existing franchises if operators come forward with proposals which offer substantial benefits for passengers and value for money for the taxpayer. There is no timetable for this either generally or in respect of Great Western Trains specifically.

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions how many staff were employed on the lines currently operated by Great Western Trains in each of the last 10 years. [82494]

Ms Glenda Jackson: The information requested is not available. Under the present franchise agreements, Train Operating Companies' (TOCs) performance is measured on prescribed outputs such as service levels. Inputs such as numbers of staff employed are matters for the TOCs.

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions what proportion of trains operated by Great Western Trains have been more than five minutes late in each of the last two years; and what was the average total delay on those trains. [82496]

Ms Glenda Jackson: The information is not available in the format requested. The Franchising Director was requested to base his assessment of lateness on those applied under British Rail immediately before privatisation. For InterCity trains, such as those operated by Great Western Trains, the definition of lateness was a train that arrived at its destination more than 9 minutes and 59 seconds late.

The figures in the latest issue of the Franchising Director's Quarterly Bulletin (December 1998)—copies in the House Library—show that the proportion of trains recorded as late (against the above definition) for the year ending December 1997 was 13.3 per cent. and for the year ending December 1998 was 15.5 per cent. Figures for average total delay are not recorded.

Mr. Don Foster: To ask the Secretary of State for the Environment, Transport and the Regions if he will list *(a)* the rates of investment in the infrastructure, rolling stock and passenger services on the lines currently run by Great Western Trains in each of the last 10 years and *(b)* the planned investment for each of the next 10 years. [82498]

Ms Glenda Jackson: This information is not available.

Motor Events

Helen Jackson: To ask the Secretary of State for the Environment, Transport and the Regions if he will take steps to require environmental impact assessments to be undertaken before motorised sporting events and rallies may take place in the countryside. [82353]

Mr. Raynsford: There are no provisions in the regulations implementing Directive 85/337/EEC (as amended by Directive 97/11/EC) on the assessment of the effects of certain public and private projects on the environment to carry out an assessment of these events and rallies, and there are no plans to introduce such regulations.

Genetically Modified Crops

Mr. Stinchcombe: To ask the Secretary of State for the Environment, Transport and the Regions what assessment he has made of the report leaked from his Department on the impact of genetically modified crops on wildlife and the environment; and if he will make a statement. [72759]

Mr. Meacher *[holding answer 25 February 1999]:* The discussion paper "The Commercial use of Genetically Modified Crops in the United Kingdom: the Potential Wider Impact on Farmland Wildlife" prepared by the Secretariat for the Advisory Committee on Releases to the Environment (ACRE) was published on 18 February 1999. The paper may be found on ACRE's website (www.environment.detr.gov.uk/acre/wildlife/index.htm) or in ACRE's latest Annual Report, a copy of which is in the Library.

The leaked report was an early draft of the one published. This early draft had served as a basis for a meeting I chaired in June last year to advise me on the possible wider indirect effects of the use of GM crops on wildlife. I invited a number of experts, including English Nature, the Royal Society for the Protection of Birds and the chairman of ACRE, to inform me of the issues to enable us to get an initiative started to address concerns about wider impacts on biodiversity from the use of genetically modified crops.

My officials then developed the paper with ACRE. The key conclusion of the paper is that there have been serious declines in farmland wildlife, and we need to ensure that the widespread introduction of GM crops does not prejudice Government objectives to halt and where possible reverse these wildlife declines. To this end, it is important to have the capability to identify whether and how GM crops are likely to change agricultural practices which could result in indirect, delayed and long term adverse effects on farmland wildlife. I have already taken steps to address this.

Before this paper was published, I requested that the remit of ACRE be extended to consider the potential wider implications of the use of GMOs, especially when the committee is requested to give advice on applications to place GM crops on the market. ACRE has set up a Sub-group on Wider Biodiversity Issues to consider the issues raised the paper in more detail. The first meeting of this Sub-group was held on 15 March. The farm-scale evaluations into the ecological effects of genetically modified crops being set up by my Department, MAFF and Scottish Office will also assist in providing baseline data on farmland wildlife in order to underpin the consideration of wider biodiversity issues on a more detailed level.

INTERNATIONAL DEVELOPMENT

Kosovar Refugees

Mr. Gerrard: To ask the Secretary of State for International Development what information she has obtained regarding the numbers of refugees from Kosovo who are to be offered protection in other EU countries. [81996]

Mr. Foulkes: The latest figures we have received from the United Nations High Commissioner for Refugees on offers of temporary protection by other EU countries are as follows:

Austria: up to 5,000
Belgium: up to 1,200
Denmark: initially 1,500
Finland: 1,000
France: no figure stated (so far over 770 accepted)
Germany: 10,000
Greece: 5,000
Ireland: initially 1,000
Netherlands: 2,000
Portugal: 1,500
Spain: some thousands
Sweden: 5,600.

TREASURY

Personal Taxation

Mr. Malcolm Bruce: To ask the Chancellor of the Exchequer what plans he has to publish estimates of the total amounts of *(a)* income tax, *(b)* VAT, *(c)* national insurance contributions, *(d)* other indirect taxes and *(e)* local taxes currently paid by typical families at varying multiples of average earnings in the format used on 3 December 1981, *Official Report*, column *188*; and if he will make a statement. [78055]

Dawn Primarolo *[holding answer 22 March 1999]:* I refer the hon. Member to the reply given to the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) on 16 April 1999, *Official Report*, columns *387–90*.

Tax Avoidance

Dr. Cable: To ask the Chancellor of the Exchequer what estimate he has made of *(a)* annual tax loss as a result of tax avoidance in the area of personnel services covered by IR 35 and *(b)* the value in 1998 of Government contracts with IT and other companies providing personnel services which will be affected by IR 35. [81329]

Dawn Primarolo: It is always difficult to measure the extent of tax and national insurance contributions (NICs) avoidance. The measures covered by IR 35 are forecast to raise £475 million in 2000–01 and £375 million in 2001–02.

No information is collected from contractors which allows an assessment to be made of the number or value of Government contracts awarded to companies involved in tax and NICs avoidance.

Finance Acts (Human Rights)

Mr. Gibb: To ask the Chancellor of the Exchequer if he will make it his policy to review the compatibility of the provisions of the Finance Acts passed since May 1997 with the Human Rights Act 1998. [81701]

Dawn Primarolo: In line with other Government Departments, the Chancellor's Departments are reviewing their legislation and procedures in the light of the Human Rights Act 1998.

Health Insurance

Mr. Efford: To ask the Chancellor of the Exchequer if he will review the powers under the Insurance Companies Act 1982 of permanent health insurance companies to deduct state benefits from payments to claimants. [82168]

Ms Hewitt: No. It is for insurers to decide on what terms to offer insurance policies to customers.

Marginal Income Tax

Mr. Gibb: To ask the Chancellor of the Exchequer if he will estimate the number of people with a marginal income tax rate on their earnings and pension income of 10 per cent. who also have savings income. [82192]

Dawn Primarolo *[holding answer 26 April 1999]:* In 1999–2000 there are estimated to be around 1.4 million taxpayers with a marginal rate of 10 per cent. on their earnings and pension income and some taxable savings income.

DEFENCE

Low Flying

Mr. Gardiner: To ask the Secretary of State for Defence if he will make a statement on the pattern of military low flying activity in the United Kingdom during 1998. [82470]

Mr. Spellar: The amount of low flying training carried out in the UK Low Flying System during 1998 was some 16 per cent less than for 1997. This reduction was due, in part, to the number of aircraft and aircrew deployed on activities overseas. The distribution of low flying training across the UK has not changed significantly. I have today placed in the Library of the House a paper giving a detailed account of low flying training in the UK Low Flying System for 1998. Further copies can be obtained from the following address:

Secretariat (Air Staff) 2
Ministry of Defence
Room 8247
Main Building
Whitehall
London SW1A 2HB.

Service Personnel (Suspensions)

Mr. Cox: To ask the Secretary of State for Defence how many service personnel in *(a)* the Army, *(b)* the RAF and *(c)* the Royal Navy have been suspended from duty due to allegations as to their conduct for (i) up to three months, (ii) up to six months, (iii) up to nine months, (iv) up to 12 months, (v) up to 15 months and (vi) over 15 months at the latest date for which figures are available. [69384]

Mr. Doug Henderson: The Services do not, at present, collate statistics which relate to suspensions as a result of unproven allegations. This information is held on personal records and could be provided only at disproportionate cost, but will in future be recorded centrally.

The position on suspensions in each Service is as follows:

Naval Service

The Royal Navy and Royal Marines do not use suspension from duty when personnel are subject to investigations of alleged misconduct. If appropriate, Officers are re-appointed and Ratings are drafted to another job.

Army

Army officers may be suspended from duty due to allegations of misconduct in accordance with Queen's Regulations (Army) 6.015. There is no similar mechanism for suspending soldiers from duty. In such circumstances, soldiers are dealt with by their chain of command and should there be a pressing Service need administrative action may be taken to move them to another unit while investigations take place.

RAF

The RAF may suspend officers from duty due to misconduct in accordance with Queen's Regulations (RAF) 1009. There is no formal system in place by which an airman or woman can be suspended. It is extremely rare for an officer to be suspended, or for an airman or airwoman to be removed from all Air Force duties. In such cases, it is likely that the individual would be taken from specific duties and employed on other duties until the allegation of misconduct had been resolved. If an individual is facing charges of such severity that their continued presence on a unit would prejudice good order and discipline, or where welfare considerations dictate, an individual may be moved to another unit.

Military Training

Ms Julie Morgan: To ask the Secretary of State for Defence if he will list the countries from which military officers *(a)* have visited the United Kingdom and *(b)* have been visited by United Kingdom military personnel to receive training or other military assistance under the Defence Military Assistance Fund since 1 April 1997. [81379]

Mr. Doug Henderson: *(a)* The countries from which military officers have visited the United Kingdom to receive training or other military assistance under the Defence Military Assistance Fund (DMAF) since 1 April 1997 are:

Albania
Argentina
Austria
Bahrain
Bangladesh
Belize
Bosnia-Herzegovina
Brazil

Brunei
Bulgaria
Chile
Czech Republic
Egypt
Estonia
Ethiopia
Finland
Georgia
Greece
Hungary
India
Indonesia
Jamaica
Jordan
Kenya
Kuwait
Latvia
Lithuania
Macedonia
Malaysia
Morocco
Moldova
Nepal
New Zealand
Nigeria
Oman
Pakistan
Philippines
Poland
Portugal
Qatar
Republic of Ireland
Romania
Russia
Saudi Arabia
Slovakia
Slovenia
South Africa
South Korea
Spain
Sweden
Thailand
Turkey
Ukraine
United Arab Emirates
Uruguay
Uzbekistan
Yemen.

(b) The countries which have been visited by United Kingdom military personnel to receive training or other military assistance under the Defence Military Assistance Fund (DMAF) since 1 April 1997 are:

Albania
Argentina
Austria
Australia
Bahrain
Bangladesh
Belize
Botswana
Brazil
Brunei
Bulgaria
Chile
China
Czech Republic
Estonia
Finland
Georgia
Ghana
Greece
Hungary
India
Indonesia
Japan
Jordan
Kenya
Korea
Kuwait
Malaysia
Latvia
Lithuania
Macedonia
Oman
Pakistan
Philippines
Poland
Qatar
Republic of Ireland
Romania
Russia
Saudi Arabia
Sierra Leone
Singapore
Slovakia
Slovenia
South Africa
Tanzania
Thailand
Turkey
Ukraine
United Arab Emirates
USA
Venezuela
Zimbabwe.

Ms Julie Morgan: To ask the Secretary of State for Defence how many British military personnel have assisted United States military personnel in providing military training to, or in conducting joint training exercises with, members of the Colombian *(a)* armed forces and *(b)* police in (i) the United States and (ii) Colombia in each of the last eight years. [81374]

Mr. Doug Henderson: We have no records of British military personnel having assisted US military personnel with the provision of military training to, or the conduct of joint training exercises with, the Colombian armed forces or police during the last eight years.

Pay and Conditions

Mr. Colvin: To ask the Secretary of State for Defence if he will ensure that the pay and conditions of service of service men and women serving in Macedonia are comparable with those service men and women of other NATO countries. [82228]

Mr. Doug Henderson: The pay and conditions of service of personnel serving in the armed forces of NATO are governed by the needs and circumstances of individual member states and reflect the composition and role of their armed services. In the case of the UK, the pay and conditions of service package, which is recommended by the independent Armed Forces Pay Review Body, reflects the fully professional status of our armed forces and their expectation of unlimited liability for world-wide deployment throughout a career.

Basic pay includes a component known as the X Factor, currently 12 per cent. for regulars, which recognises, among other things, the need to serve sometimes in difficult and dangerous situations. Unlike special operational allowances which may be paid to other countries' armed forces when on deployment, the X Factor is paid through a whole UK Service career and is pensionable. Other career benefits include, subsidised food and accommodation, assisted house purchase schemes and—while away on operations—a special allowance to compensate for longer periods of separation known as Longer Separated Service Allowance which is payable after three years' total service. In addition, special arrangements have been made to provide our Service men and women with a wide range of supportive and welfare measures while they are deployed to the Balkans. These include the availability of 10 minutes of free telephone calls per week, return flights for rest and recreation in UK for those deployed in excess of 4 months and some free mail facilities.

Overall, it is difficult and misleading to attempt to draw precise comparisons between the different nations' armed forces serving in Macedonia based on a single aspect such as pay. A full comparison of terms and conditions of service, or the spectrum of welfare provision and facilities, is necessary.

Parachute Battalions

Mr. Brazier: To ask the Secretary of State for Defence what are the *(a)* manpower establishments and *(b)* actual manning levels for each of the three regular parachute battalions. [82344]

Mr. Doug Henderson *[holding answer 27 April 1999]:* The establishments and actual staffing levels for each of the three regular parachute battalions, as at 1 March 1999, are shown in the table. The figures are for UK Trained Army Personnel only, and exclude Locally Employed personnel, Royal Irish (Home Service) personnel, Reservists mobilised for duties associated with Bosnia, Full Time Reserve Service personnel, and Gurkhas (excepting the Gurkha Reinforcement Company presently attached to 2 Para).

	1 Para		*2 Para*		*3 Para*	
	Estb	*Str*	*Estb*	*Str*	*Estb*	*Str*
Infantry:	576	—	574	—	550	—
Parachute Regiment	—	457	—	536	—	443
Gurkha Reinforcement Company	—	—	—	106	—	—
Other Infantry Cap Badges[1]	—	2	—	2	—	3
Royal Armoured Corps[2]	—	—	—	1	—	—
Royal Logistics Corps	23	19	23	26	23	22
Royal Army Medical Corps	2	5	2	2	2	3
Royal Electrical and Mechanical Engineers	14	13	14	14	11	23
Adjutant General's Corps (Staff and Personnel Support)	21	23	21	22	21	23
Army Physical Training Corps	1	1	1	1	1	1
Total	637	520	635	710	608	518

[1] The strength figures for 2 Para include 106 Gurkhas in the Gurkha Reinforcement Company: these Officers and Soldiers are not counted in United Kingdom Trained Army Personnel figures

[2] Officers and Other Ranks on attachment to Parachute Regiment

Mr. Brazier: To ask the Secretary of State for Defence on what date are 10 and 4 (TA) parachute battalions are due to be merged and reduced; what was their old manpower establishment; and what is their planned amalgamated manpower establishment. [82346]

Mr. Doug Henderson *[holding answer 27 April 1999]:* The TA parachute battalions, 4 Para (V) and 10 Para (V), are to be merged and reduced in size with effect from 1 July 1999. 4 Para (V) was established for 531 all ranks and 10 Para (V) was established for 530 all ranks. After 1 July 1999 the new battalion, to be called 4 Para (V), will be established for 324 all ranks.

Dunkirk Anniversary

Mr. Blunt: To ask the Secretary of State for Defence what plans his Department has to commemorate the 60th anniversary of Dunkirk and to mark the final pilgrimage of the Dunkirk Veterans Association. [75912]

Mr. Doug Henderson: I understand that the Dunkirk Veterans Association is planning to hold its final pilgrimage to Dunkirk in June 2000, to commemorate the 60th anniversary of the evacuation of the British Expeditionary Force from Dunkirk.

Armed Forces (Ethnic Origin)

Mr. Vaz: To ask the Secretary of State for Defence if he will provide a breakdown by ethnic origin and grade of members of the *(a)* Army, *(b)* Royal Navy and *(c)* Royal Air Force. [79051]

Mr. Doug Henderson: I will publish the figures for the end of the year 1998–99 shortly.

Non-statutory Liabilities

Mr. Llew Smith: To ask the Secretary of State for Defence if he will set out the basis on which some non-statutory liabilities are described as unquantifiable at page 23 of his Department's expenditure plans 1999–2000 to 2001–02, Cm 4208. [81576]

Mr. George Robertson: Because of the nature of the liabilities involved, it is not always possible to quantify accurately the potential contingent liability or to provide a realistic estimate of the likely charge that would result if the liabilities were to mature. In these cases, the term "unquantifiable" is used to describe the liabilities in question. If the indemnities were to be called upon, provision for any payment would be sought through the Supply procedure.

Small Arms Trainer Systems

Mr. Brazier: To ask the Secretary of State for Defence how many small arms trainer ranges were available for armed forces use in 1997; and how many are currently available. [81777]

Mr. Doug Henderson: As at 31 December 1997, there were 158 small arms trainer (SAT) systems available to the Armed Forces. Since then, three further systems have been procured, two of which are now fully operational.

Mr. Brazier: To ask the Secretary of State for Defence if he will make a statement on the *(a)* condition, *(b)* availability and *(c)* future use of the small arms trainer range at Chelsea Barracks. [81778]

Mr. Doug Henderson: The small arms trainer at Chelsea Barracks has been moved to Cavalry Barracks, Hounslow. Units that previously used the small arms trainer at Chelsea Barracks are now able to use the alternative facility at Wellington Barracks.

Falkland Islands

Mr. Keetch: To ask the Secretary of State for Defence what assessment he has made of the impact on the Falkland Island garrison of the withdrawal of diversion rights for RAF Tristars by Uruguay and Brazil; and if he will make a statement. [81868]

Mr. Doug Henderson: There has been no withdrawal of diversion rights for RAF aircraft by Uruguay or Brazil.

Mr. Nicholas Winterton: To ask the Secretary of State for Defence if he will make a statement on his Department's timescale in the delivery of a 20mm calibre gun to the Falkland Islands Fisheries Department for the arming of a fishery protection vessel. [82059]

Mr. Doug Henderson: Following Government approval in January 1999 to procure a 20mm Oerlikon cannon, a formal order was received from the Falkland Islands Government on 2 February. Considerable work was subsequently necessary to clarify the requirements for spares, fittings and ammunition, and the order for this support material was not received until 15 April. The cannon and associated support stores have now been prepared for dispatch and, on current plans, will be sent out at the next practical opportunity in early May.

RAF Pensions

Mr. Laurence Robertson: To ask the Secretary of State for Defence what plans he has to extend the provision of RAF pensions to surviving spouses of service personnel; and if he will make a statement. [82042]

Mr. Doug Henderson *[holding answer 26 April 1999]:* Surviving spouses of members of the RAF, like those of other Service personnel, are generally entitled to receive a widow's pension. There are two exceptions: pensions are not paid to widows or widowers who married their partner before 1978 but after their partner had left the armed forces; and pensions are withdrawn from widows and widowers who remarry (although they may be restored if their second spouse subsequently dies). From time to time we receive representations to extend entitlements to these groups, and we shall examine them again as part of the current review of the Armed Forces Pension Scheme.

Air Brigades

Mr. Brazier: To ask the Secretary of State for Defence on what date 16 Air Assault Brigade will become operationally effective. [82342]

Mr. Doug Henderson *[holding answer 27 April 1999]:* 24 Airmobile Brigade is due to be re-named 16 Air Assault Brigade on 1 September 1999 when it will take over command of the very high readiness Airborne Battle Group from 5 Airborne Brigade. 16 Air Assault Brigade will remain operationally effective in the Airmobile role and the Airborne Battle Group will continue to be operationally effective throughout. 16 Air Assault Brigade will not be fully operationally effective in the Air Assault role until the new Westland Attack Helicopter is brought into service. The Brigade's Attack Helicopter Regiments should all be operationally effective by mid-2004.

Mr. Brazier: To ask the Secretary of State for Defence on what date 5 Airborne Brigade Headquarters will cease to be an airborne headquarters. [82341]

Mr. Doug Henderson *[holding answer 27 April 1999]:* It is currently planned that 5 Airborne Brigade Headquarters will cease to be an airborne headquarters on 1 September 1999 and it will be re-named Headquarters 12 Mechanised Brigade and start training in this new role.

Mr. Brazier: To ask the Secretary of State for Defence on what date the Paralogistic Battalion is due to disband; and what logistic unit will replace it. [82343]

Mr. Doug Henderson *[holding answer 27 April 1999]:* 5 Airborne Brigade's Paralogistic Battalion is due to disband on 1 September 1999. Some parachute trained personnel will transfer on this date to 16 Air Assault Brigade's Logistic Regiment and Field Workshop to support 16 Air Assault Brigade's very high readiness Airborne Battle Group. The remainder will form the nucleus of the new 12 Mechanised Brigade's Logistic Squadrons and Equipment Support Companies.

Armed Forces (Balkans)

Mr. Menzies Campbell: To ask the Secretary of State for Defence how many of the units of the armed forces deployed to the South-East Balkans are under strength; and by what means it is intended to bring these units up to full strength. [82049]

Mr. George Robertson: None of the units of the armed forces deployed to the South-East Balkans is under strength.

Mr. Menzies Campbell: To ask the Secretary of State for Defence what plans he has to draw on Territorial Army units to make up shortfalls in manning levels of the armed forces in the South-East Balkans. [82050]

Mr. George Robertson: There are currently no plans to deploy formed Territorial Army (TA) units to the Balkans. Individual members of the TA are already serving in the Balkans with regular units on a volunteer basis, and this will continue for the foreseeable future.

Mr. Menzies Campbell: To ask the Secretary of State for Defence what units of the armed services have been deployed to the South-East Balkans. [82074]

Mr. George Robertson: I refer the right hon. and learned Member to the answer I gave to the hon. Member for Hereford (Mr. Keetch) on 26 April 1999, *Official Report*, columns *10–11*.

Indonesia

Dr. Tonge: To ask the Secretary of State for Defence how many Indonesian military officers are currently training in the UK. [82464]

Mr. Doug Henderson: There are currently eight Indonesian military personnel attending training courses in the UK.

Hercules Fleet

Mr. Brazier: To ask the Secretary of State for Defence what *(a)* proportion and *(b)* number of the Hercules fleet is currently airworthy. [82348]

Mr. Doug Henderson *[holding answer 27 April 1999]:* The Royal Air Force operates a fleet of fifty-five Hercules aircraft. Currently, all aircraft in the fleet are airworthy.

Kosovo

Mr. Viggers: To ask the Secretary of State for Defence what advice he received concerning the efficacy of air strikes alone in achieving the objectives of the United Kingdom and its NATO allies in Serbia and Kosovo. [82165]

Mr. George Robertson: NATO's military objectives, in support of the political aims of the international community, are to disrupt Milosevic's repressive operations and weaken his forces. A phased air campaign was chosen, on the basis of full and comprehensive military advice, as the best way of achieving those objectives.

HEALTH

NHS Appointments

Mr. Brady: To ask the Secretary of State for Health if he will list the NHS trust and health authority appointments which were not made by the due date and which remained outstanding on 1 April. [81391]

Mr. Denham *[holding answer 19 April 1999]:* All health authority appointments due on 1 April 1999 were completed on time. A small number of appointments (18) to National Health Service trusts and health authorities which expired in 1998 remain vacant. These vacancies are listed in the table.

List of health authority and national health service trust appointments which expired in 1998 and for which no appointment had been made by 1 April 1999

Region	*Body*	*Number of chairs*	*Number of Non-Executives*
Eastern	Essex Rivers Healthcare NHS Trust	0	1
North West	Chester and Halton Community NHS Trust	1	0
	Liverpool Women's Hospital NHS Trust	0	1
	Manchester Health Authority	0	1
	Wirral Hospital NHS Trust	0	1
Northern and Yorkshire	Calderdale and Kirklees Health Authority	0	1
London	BHB Community Healthcare NHS Trust	0	1
	City and Hackney Community Services NHS Trust	0	1
	Croydon Community Health NHS Trust	0	1
	Enfield Community Care NHS Trust	0	1
Trent	Central Nottinghamshire Healthcare NHS Trust	0	1
	Grantham and District Hospital NHS Trust	0	1
South East	East Surrey Health Authority	0	2
South West	Gloucestershire Ambulance Service NHS Trust	0	1
	Royal United Hospital Bath NHS Trust	0	1
West Midlands	Birmingham Heartlands and Solihull (Teaching) Hospitals NHS Trust	0	1
	Walsall Community Health NHS Trust	0	1
	Total	1	17

Eastbourne District General Hospital

Mr. Waterson: To ask the Secretary of State for Health if he will initiate an urgent inquiry into the levels of nursing staff at the Eastbourne District General Hospital and their effect on standards of patient care; and if he will make a statement. [81657]

Mr. Hutton: The East Sussex, Brighton and Hove Health Authority has a duty to ensure that the quality of care for those living in Eastbourne is satisfactory. The health authority and Eastbourne Hospitals National Health Service Trust are conducting a joint analysis of current needs regarding nursing staff levels at the hospital, and expect to conclude this work by June for consideration by the local Primary Care Group.

We have also asked officials of the National Health Service Executive to discuss nursing levels at the trust with the Chief Executive and Director of Nursing of the NHS trust.

NHS Expenditure

Mr. Hesford: To ask the Secretary of State for Health if he will estimate the cash increase represented by the expenditure of an additional 3 per cent. of GDP on the NHS in 1999–2000. [81985]

Mr. Denham: The latest available data on the Gross Domestic Product in cash terms are for the year 1997–98 and the amount is £811,849 million. Three per cent. of this is £24,355 million. Planned total expenditure for the National Health Service in England in 1999–2000 is £39,703 million.

Investing in Dentistry

Mr. Gordon Prentice: To ask the Secretary of State for Health if he will list by health authority the numbers of successful applications under the Investing in Dentistry initiative. [82186]

Mr. Denham: The number of investing in dentistry applications which have been approved up to 26 April 1999 are shown by health authority in the table.

Investing in dentistry requests approved by health authority as at 26 April 1999

Health authority	*Number of applications approved*
Avon	5
Barnsley	4
Bedfordshire	2
Berkshire	6
Birmingham	1
Bradford	1
Cambridge and Huntingdon	4
Camden and Islington	1
City and East London	5
Cornwall and the Isles of Scilly	10
County Durham	3
Doncaster	2
Dorset	3
Ealing, Hammersmith and Hounslow	6
East Kent	3
East Lancashire	3
East Norfolk	3
East Riding	6
Gloucestershire	11
Herefordshire	2
Isle of Wight	3
Lambeth, Southwark and Lewisham	4
Leicestershire	2
Lincolnshire	2
Liverpool	2
Merton, Sutton and Wandsworth	2
Morecambe Bay	7
Newcastle and North Tyneside	2
Northamptonshire	4
North Cheshire	1
North Cumbria	6
North Derbyshire	1
North and East Devon	8
North Essex	2
North and Mid Hampshire	7
North Staffordshire	8
North West Lancashire	5
North Yorkshire	8
North West Anglia	2
Nottingham	2
Oxfordshire	6
Portsmouth and South East Hampshire	8
Redbridge and Waltham Forest	4
Rotherham	6
Salford and Trafford	2
Sefton	1
St. Helens and Knowsley	3
Shropshire	8
Somerset	6
Southern Derbyshire	1
South Cheshire	10
South Essex	1
South Humber	2
South Lancashire	2
South Staffordshire	2
South West Devon	8
Southampton and South West Hampshire	12
Suffolk	6
Tees	1
West Hertfordshire	1
West Kent	3
West Surrey	5
West Sussex	5
Wigan and Bolton	1
Wiltshire	14
Wolverhampton	1
Worcestershire	3

Insulin Pen Needles

Mr. Sanders: To ask the Secretary of State for Health what representations he has received on Government proposals on pen needles and insulin injection pens; and if he will make a statement. [82012]

Mr. Denham: We have received representations from most of the organisations consulted. We are considering them, and are seeking clarification on certain points before we make our final decisions.

Operating Department Practitioners

Helen Jones: To ask the Secretary of State for Health (1) what advice his Department has given to NHS trusts on the procedures they should adopt for checking the qualifications of those who apply for posts as operating department practitioners; [82078]

(2) how many cases of misconduct by operating department practitioners have been reported to his Department in each of the past five years; [82080]

(3) what research his Department has undertaken into the ability of operating department practitioners to provide care in areas other than the operating theatre, with particular reference to *(a)* accident and emergency, *(b)* cardio-pulmonary resuscitation and *(c)* intensive care units; [82075]

(4) what advice his Department has given to NHS trusts on whom they should notify if an operating department practitioner is dismissed for misconduct or incapability. [82079]

Mr. Hutton: The Department has not undertaken any research on the ability of operating department practitioners to provide care in other areas. Guidance has been issued on good recruitment practice which applies to all National Health Service staff. All NHS employers have a "duty of care" to ensure that all their employees are qualified and competent to perform the duties for which they are employed. This duty includes ensuring that high standards of patient care are maintained at all times.

Responsibility for dealing with issues of misconduct and incapability are a matter for NHS trusts. The Department does not collect information on the numbers of cases of misconduct by operating department practitioners.

Helen Jones: To ask the Secretary of State for Health what representations he has received about the establishment of a statutory regulation scheme for operating department practitioners; and if he will make a statement. [82076]

Mr. Denham: Since 1 May 1997, my right hon. Friend the Secretary of State has received eight representations about regulation of operating department practitioners.

Helen Jones: To ask the Secretary of State for Health what estimate he has made of the number of operating department practitioners in the NHS who work in areas other than operating theatres. [82077]

Mr. Hutton: The information requested is not available centrally. Planning the number of operating department practitioners is a matter for local employers to determine in the light of local needs and priorities.

HOME DEPARTMENT

Home Detention Curfew

Mr. Clappison: To ask the Secretary of State for the Home Department how many offenders convicted of *(a)* sexual offences and *(b)* violent offences have been released on home detention curfew on or since 28 January. [81947]

Mr. George Howarth: No prisoner has been placed on home detention curfew who has been convicted of an offence to which part I of the Sexual Offenders Act 1997 applies. One offender has been placed on home detention curfew whose current sentence is for bigamy but this is not an offence to which part I of the Sexual Offences Act 1997 applies.

Of the 3,730 offenders who have been placed on home detention curfew up to Monday 19 April, 617 offenders have a current conviction for an offence of violence.

Only prisoners serving less than four years are eligible for consideration for home detention curfew. All eligible prisoners must pass a risk assessment before they can be placed on home detention curfew. Prisoners who either pose a risk to the public or a risk of re-offending during the home detention curfew period, or are unlikely to comply with terms of curfew, will not be granted home detention curfew.

Racial Assaults

Mr. Cox: To ask the Secretary of State for the Home Department how many racially-motivated assaults have been recorded in each of the last three years at *(a)* Tooting and *(b)* Wandsworth police stations. [81890]

Kate Hoey: The Commissioner of Police of the Metropolis tells me that Wandsworth and Tooting police stations are part of Wandsworth Division and it is not possible to break down the figures below divisional level. He has provided the following information:

Financial year	*Racial assaults*
1997–98	30
1998–99	66

It is not possible to provide figures for the financial year 1996–97 as the Metropolitan police's system did not then separate racial assaults from all other assaults.

Mr. Cox: To ask the Secretary of State for the Home Department how many cases of incitement to racial hatred were *(a)* reported, *(b)* investigated and *(c)* the subject of arrest, in (i) Tooting and (ii) Wandsworth police stations in the last three years. [81888]

Kate Hoey: The Commissioner of Police of the Metropolis tells me that Wandsworth and Tooting police stations are part of Wandsworth Division and it is not possible to break down the figures below divisional level. He has provided the following information for incidents reported under section 19 of the Public Order Act 1986 in Wandsworth Division:

Financial year	*Reported*	*Investigated*	*Arrested*
1996–97	1	1	1
1997–98	4	4	0
1998–99	2	2	0

Refugees (Yugoslavia)

Mr. Gerrard: To ask the Secretary of State for the Home Department what estimate he has given to the United Nations High Commissioner for Refugees of the number of refugees from Kosovo who will be offered protection in the United Kingdom. [81998]

Mr. Andrew George: To ask the Secretary of State for the Home Department how many refugees from the Kosovan conflict the Government have agreed to accept into the United Kingdom. [82226]

Mr. Straw: I refer to my hon. Friend and the hon. Member to the reply I gave on 26 April 1999, *Official Report*, columns *6–9*, to the hon. Member for Ruislip-Northwood (Mr. Wilkinson).

Mr. Andrew George: To ask the Secretary of State for the Home Department what representations he has made to his European Union counterparts to coordinate the emergency admission of refugees from the Kosovo conflict. [82225]

Kate Hoey: An emergency meeting of the Justice and Home Affairs Council was held on 7 April. The Council agreed that the first priority was to seek to protect refugees in the region. It was also agreed that the emergency relocation of refugees from the region should be co-ordinated by the United Nations High Commissioner for Refugees.

Mr. Andrew George: To ask the Secretary of State for the Home Department what provisions he has made to accept refugees from the conflict in former Yugoslavia to the United Kingdom. [82224]

Mr. Straw: We have always made it clear that the United Kingdom stands ready to receive some thousands of refugees from that region on criteria agreed with the United Nations High Commissioner for Refugees (UNHCR) who gives priority to relieving pressure on the camps by giving priority to the most vulnerable and those with family links in the United Kingdom.

Under these arrangements, the first arrivals—161 refugees, mainly women and children—came to the United Kingdom on Sunday and are being looked after in Leeds. Reception centres are being staffed by the Refugee Council which is taking the lead in establishing a special reception service for Kosovan refugees arriving in the United Kingdom.

On arrival, the refugees were given a basic health check to determine if anyone needed immediate medical attention; none of the refugees needed immediate hospital treatment. At the reception centres, each refugee will be given a more thorough health check and be assigned a General Practitioner; children of school age will be assigned to a local school and refugees will be put in touch with any known relatives or friends.

People arriving under the UNHCR programme will be granted permission to enter in line with close family members already settled in the United Kingdom or 12 months' exceptional leave to enter to provide for their protection as requested by UNHCR. They will have access to the benefits system, NHS medical treatment and will be entitled to work. Other refugees arriving independently will be eligible to apply for asylum in the usual way.

Televisions (Prisons)

Mr. Stunell: To ask the Secretary of State for the Home Department if he will list for each of the last five years the number of television sets with stand-by units in prisons in *(a)* England, *(b)* Scotland and *(c)* Wales. [81983]

Mr. George Howarth: The information requested on the numbers of television sets with stand-by units for prisoners' use in England and Wales is not available in the form requested. The number of television sets with stand-by units in prisons in Scotland is a matter for my right hon. Friend the Secretary of State for Scotland.

My hon. Friend, the then Minister for Prisons and Probation (Ms Quin), announced our intention to extend the availability of in-cell television as part of the incentives and earned privileges scheme in a reply to my hon. Friend the Member for Newark (Mrs. Jones) on 1 June 1998, *Official Report*, columns *50–51*. Figures for television sets with stand-by facilities installed since then in 1998 and 1999 to the end of April, are as follows:

Year	*England*	*Wales*
1998	9,828	560
1999	4,526	412

These figures do not include television sets used in association and communal rooms for which information is not kept centrally.

Private Prisons

Mr. Beith: To ask the Secretary of State for the Home Department if he will list the total number of *(a)* fines and *(b)* contract payments which have been reduced to reflect the performance against the contract at (1) HMP Parc, (2) HMP Lowdham Grange, (3) HMP Altcourse, (4) HMP Wolds, (5) HMP Buckley Hall and (6) HMP Doncaster; and if he will state the reasons for each fine and reduced payment. [82446]

Mr. George Howarth: As shown in the table, there have been thirteen occasions on which a payment to a contractor managing a prison has been reduced. The table includes Blakenhurst prison which is also managed by a contractor. There is no distinction between a fine and a reduction in payment because a fine is made by being deducted from a due payment.

Payment reductions to private contractors managing prisons

Prison	*Date*	*Amount (£)*	*Reason*
Altcourse	May 1998	28,089	Failure to meet performance standards
Blakenhurst	February 1994	41,167	Temporary reduction in cell availability
	November 1998	25,000	Escape from escort
Buckley Hall	February 1997	526	Failure to meet performance standards
Doncaster	—	—	—
Lowdham Grange	July 1998	702	1 unavailable place
	October 1998	45,080	Failure to meet performance standards
	January 1999	31,231	Failure to meet performance standards
	February 1999	6,334	Failure to meet performance standards
Parc	March 1998	54,782	Failure to meet to standard requirements
	May 1998	1,309	Failure to meet performance standards
	July 1998	298	Doubling cell occupation beyond permitted level
	October 1998	306,747	Failure to meet performance standards
Wolds	September 1998	23,855	Reduction in service

Prisoners (Drugs)

Mr. Cox: To ask the Secretary of State for the Home Department how many inmates in prisons in England and Wales have a record of illegal drug taking. [82289]

Mr. George Howarth: Between 1 January 1998 and 31 December 1998, 88,304 mandatory drug tests were conducted on prisoners, of which 20,152 tested positive for drugs. The figures include some prisoners who will have been tested more than once. Implementation of the Prison Service drug strategy over the next three years will include provision of information about new prisoners' histories of drug misuse prior to arrival in prison.

Mr. Cox: To ask the Secretary of State for the Home Department how many prisons in England and Wales have drug treatment facilities; and how many prisoners were undertaking such treatment on 1 April. [82290]

Mr. George Howarth: Systematic data about existing programmes and the number of participating prisoners is not yet collected centrally. The table gives the best available information about the current situation and the proposed outcome of implementation of the Prison Service's drug strategy.

Prison drug treatment and programmes

Service provision	*Current situation*	*After drug strategy implementation*
CARATs[1]	43	all establishments
Detoxification[2]	10	35
Rehabilitation programmes	24	60
Therapeutic communities	4	8
Voluntary testing	46	all establishments

[1] Low threshold Counselling, Assessment, Referral, Advice and Throughcare service which will meet the needs of the great majority of prisoners

[2] Enhanced detoxification facilities in local prisons and remand centres

Prisoners (MPs' Visits)

Mr. McDonnell: To ask the Secretary of State for the Home Department (1) what guidance is given by his Department to Her Majesty's prisons on the arrangements to be made to respond to requests by hon. Members to visit a prisoner; [82323]

(2) what arrangements there are for visits to prisoners in Her Majesty's prisons by hon. Members. [82324]

Mr. George Howarth: The arrangements are set out in Prison Standing Order 5D. Prisoners can request or consent to a visit from a Member of Parliament, upon which the Governor will produce a valid special visiting order. The Governor will also ensure that the visit does not take place within the hearing of prison staff, unless either party or security considerations demand otherwise. The Governor can also permit the Member to tape record any conversation which takes place during the visit. This, along with other special visits, including those from legal advisers and priests or ministers, does not normally count against the prisoner's allowance for visits.

Remand Prisoners

Mr. Laurence Robertson: To ask the Secretary of State for the Home Department what percentage of persons held on remand were found guilty when brought to trial in the last year for which figures are available. [82459]

Mr. George Howarth: Seventy-two per cent. of persons held on remand in England and Wales in 1997 were found guilty when brought to trial.

Police Officers (Retirement)

Mr. Öpik: To ask the Secretary of State for the Home Department if he will list by police authority *(a)* the number of officers who have retired and *(b)* the estimated cost of paying the pensions of retired officers in each of the last five years. [82492]

Mr. George Howarth: Information on the number of officers retiring is set out in the table. For information on the cost of police pensions I refer the hon. Member to the reply given by my hon. Friend the Minister of State, Home Office, to the right hon. Member for Berwick-upon-Tweed (Mr. Beith) on 23 March 1999, *Official Report*, columns *164–72*.

Numbers of police officers retiring, England and Wales, 1993–94—1997–98

	1993–94	*1994–95*	*1995–96*	*1996–97*	*1997–98*
Avon and Somerset	132	147	102	166	123
Bedfordshire	22	40	36	38	46
Cambridgeshire	39	40	54	50	48
Cheshire	67	75	55	50	81
City of London	25	23	35	26	38
Cleveland	65	58	44	38	25
Cumbria	46	48	39	46	45
Derbyshire	68	56	82	67	78
Devon & Cornwall	113	94	125	114	110
Dorset	36	41	27	51	50
Durham	64	64	41	43	49
Dyfed-Powys	44	38	36	25	24
Essex	82	81	115	90	117
Gloucestershire	44	35	33	45	56
Greater Manchester	271	285	346	319	327
Gwent	35	43	33	50	32
Hampshire	95	104	134	100	100
Hertfordshire	42	35	38	54	52
Humberside	92	68	78	52	80
Kent	126	91	93	91	90

Numbers of police officers retiring, England and Wales, 1993–94—1997–98

	1993–94	1994–95	1995–96	1996–97	1997–98
Lancashire	150	108	134	87	110
Leicestershire	71	73	72	52	59
Lincolnshire	47	49	63	47	58
Merseyside	185	232	256	217	151
Metropolitan	721	1,302	864	904	1,027
Norfolk	55	55	75	64	68
Northamptonshire	38	65	27	24	44
Northumbria	162	153	178	136	151
North Wales	55	50	50	60	40
North Yorkshire	106	57	43	51	45
Nottinghamshire	83	79	78	67	94
South Wales	87	98	154	119	140
South Yorkshire	124	87	94	74	93
Staffordshire	106	70	50	85	133
Suffolk	43	41	53	56	51
Surrey	36	67	53	58	73
Sussex	100	78	155	145	126
Thames Valley	86	114	133	125	123
Warwickshire	50	44	29	26	54
West Mercia	58	87	59	82	72
West Midlands	228	306	285	256	314
West Yorkshire	211	152	151	161	164
Wiltshire	29	37	30	67	47
Provincial Total	3,618	3,568	3,768	3,574	3,781
England and Wales Total	4,339	4,870	4,632	4,478	4,808

Surrey Constabulary

Mr. Ian Taylor: To ask the Secretary of State for the Home Department what progress has been made in the negotiations between the Metropolitan Police and the Surrey Constabulary to effect the transfer of responsibility for policing parts of Surrey. [81624]

Kate Hoey: I understand that the negotiations between the Metropolitan police and Surrey police have made good progress on the wide range of detailed issues which need to be resolved in order to ensure a smooth transfer of responsibility on 1 April 2000. These negotiations take place bilaterally or, where appropriate, in a wider forum involving Essex police and Hertfordshire Constabulary, the other two forces affected by the change to the Metropolitan police district boundary. All four forces are represented on the central consultative group which the Home Office has set up to bring together all interested parties. There has been an excellent spirit of co-operation throughout.

SOCIAL SECURITY

Pensioner Income

Mr. Viggers: To ask the Secretary of State for Social Security what are *(a)* the total income of a single man aged 65 years who has no savings or resources, taking account of guaranteed minimum pension, housing benefit and council tax benefit, *(b)* the retirement pension payable to a single man aged 65 years who has savings above the means-testing limits, *(c)* the difference per annum between *(a)* and (b), and (d) the amount of money which would be required to purchase an annuity to fund (c). [81913]

Mr. Timms: The amounts of Housing Benefit and Council Tax Benefit that a person receives depends on local factors as well as personal circumstances. This individual is assumed to have no pension above the basic pension and no savings and so is eligible for £75 Minimum Income Guarantee. This hypothetical individual with the average amount of Housing Benefit and the average amount of Council Tax Benefit received by those on Income Support aged 60 or over would receive £127 a week in Income Support, Housing Benefit and Council Tax Benefit.

Retirement Pension consists of two main components, the basic State pension and additional pension, also known as SERPS. This individual is assumed to be a recently retired man who has at least £16,000 capital and who receives no income from his capital. This hypothetical individual with the average basic State pension and the average gross SERPS would receive £108 a week.

The difference in income is £19 a week.

At March 1999 annuity rates, a lump sum of £14,000 would be required for a single 65 year old man to purchase an annuity that provides this level of weekly income. This is less than the £16,000 capital limit for income related benefits.

Note:

1. Weekly income figures are rounded to the nearest pound and the lump sum figure is rounded to the nearest thousand pounds.

Occupational Pensions

Mr. Webb: To ask the Secretary of State for Social Security, pursuant to his answer to the hon. Member for Kettering (Mr. Sawford) of 19 April 1999, *Official Report*, column *465*, on occupational pensions, what assessment he has made of the reasons for the reported rise in occupational pension coverage. [82061]

Mr. Timms: A number of factors are likely to have contributed to the rise in take up. Increased awareness of pensions generally in the light of the public debate generated by the pensions review, launched in July 1997;

improvements in the quality of information about pensions; and increased awareness of the value of occupational pensions in the light of mis-selling problems associated with personal pensions.

State Pension

Mr. Webb: To ask the Secretary of State for Social Security if he will list the categories of people who can be credited entitlement to *(a)* the basic state pension, *(b)* SERPS and *(c)* the proposed second state pension; and if he will make a statement on the reason for the differences in the crediting arrangements for each. [81991]

Mr. Timms: The categories of people who can be credited with National Insurance contributions to assist them to satisfy the second contribution condition for basic State pension are:

Young people for the tax years containing their 16th, 17th and 18th birthdays;

Men for the tax years containing their 60th birthday and the four succeeding years, provided they have no liability for Class 1 or 2 National Insurance contributions;

Persons undergoing courses of full time approved training;

Invalid Care Allowance recipients;

Family Credit recipients;

Disability Working Allowance recipients;

Persons who are either in receipt of Jobseeker's Allowance or unemployed and satisfy specified conditions which include that they are available for and actively seeking paid employment;

Persons incapable of work through illness or disability;

Statutory Maternity Pay recipients.

There are no arrangements for crediting people with entitlement to SERPS.

It is proposed that carers and long-term disabled people with broken work records will be credited with entitlement to the State Second Pension. In addition, those earning between the Lower Earnings Level and £9,000 will receive a boost to their State Second Pension by being treated as if they had had earnings at that level.

The main reason for crediting entitlement to the basic pension is the recognition that it would be unreasonable to allow the future entitlement of people who are involuntarily out of work through unemployment or sickness or whose earning power in work is seriously depleted by these contingencies, to be jeopardised by deficiencies in their contribution records.

SERPS is purely a contributory earnings-related second pension scheme which does not attract any form of credits. It gives insufficient help to those who need it most. This is why we are proposing the new State Second Pension to replace SERPS.

Income Support

Mr. Field: To ask the Secretary of State for Social Security if he will estimate the *(a)* numbers and *(b)* percentages of single parents on income support, who have mortgages, for each of the past 10 years. [82164]

Angela Eagle: The information is not available in the form requested. Such information as is available is in the table.

Single parents in receipt of income support who have a mortgage or loan for the accommodation they are living in since 1994

Year	*Number of claimants*	*Percentage of all Single parents on Income Support*
1994–95	130,000	14
1995–96	130,000	13
1996–97	150,000	14
1997–98	110,000	11

Notes:
1. Figures are subject to a degree of sampling error.
2. Figures have been rounded to the nearest thousand, percentages to the nearest integer.
3. The estimates are based on sample counts that have been adjusted for non-response using multi-purpose grossing factors that control for region, Council Tax Band and a number of demographic variables. Estimates are subject to sampling error and to variability in non-response.
4. Benefit receipt is based on self-assessment and therefore may be subject to mis-reporting.
5. Income-based Jobseekers' Allowance (introduced in October 1996) has been included in the analysis for the 1997–98 financial year, but not for the 1996–97 year, since it could not be separately identified from Unemployment Benefit.

Source:
Family Resources Survey (Great Britain).

All Work Test

Mr. Gordon Prentice: To ask the Secretary of State for Social Security what medical conditions permanently exempt a person in receipt of benefits from the all work test. [82152]

Mr. Bayley: Regulations list a number of medical conditions and other circumstances which will result in a person being treated as incapable of work without the need for an assessment under the All Work Test. The relevant conditions, which are not all expressed in terms of specific diseases or disablements, are set out. Many, but not all, of these conditions will be permanent: If there is a possibility of improvement in an individual case the exemption will be reviewed periodically and in some circumstances it may become appropriate to carry out an All Work Test assessment.

Medical conditions qualifying for exemption from the All Work Test (Regulation 10 of the Social Security (Incapacity for Work) (General) Regulations 1995):

(i) tetraplegia;

(ii) persistent vegative state;

(iii) dementia;

(iv) paraplegia or uncontrollable involuntary movements or ataxia which effectively renders the sufferer functionally paraplegic;

(v) a severe learning disability;

(vi) a severe and progressive neurological or muscle wasting disease;

(vii) an active and progressive form of inflammatory polyarthritis;

(viii) a progressive impairment of cardio-respiratory function which severely and persistently limits effort tolerance;

(ix) dense paralysis of the upper limb, trunk and lower limb on one side of the body;

(x) multiple effects of impairment of function of the brain or nervous system causing severe and irreversible motor, sensory and intellectual deficits;

(xi) manifestations of severe and progressive immune deficiency states characterised by the occurrence of severe constitutional disease or opportunistic infections or tumour formation;

(xii) a severe mental illness.

In addition, people will be treated as incapable of work if they

are registered blind;

are terminally ill;

have an 80 per cent. disablement assessment;

are receiving the highest rate care component of Disability Living Allowance, or certain allowances payable under the Industrial Injuries and War Pensions schemes for attendance needs.

Winter Fuel Payments

Mr. Gibb: To ask the Secretary of State for Social Security, pursuant to his answer of 21 April 1999, *Official Report*, column *592*, on winter fuel payments, what is the additional cost of paying the winter fuel payment separately from the basic state pension. [82190]

Angela Eagle: To include the full amount of the Winter Fuel Payment with the Retirement Pension of every eligible pensioner would involve using a qualifying week at the end of the previous winter. This is because Retirement Pension order books last for up to 20 weeks and are printed and issued well in advance. As a result, large numbers of people who retire after the qualifying week would not be eligible for a payment the following winter. In addition, allowing such a substantial interval to elapse would mean changes of household circumstances amongst many of those in the eligible population.

It would be possible to make a payment of £50 to every eligible pensioner at the beginning of each winter by including that amount along with their qualifying benefit. However, an exercise would then be necessary, after the qualifying week, to identify those who live alone or those who are the only eligible pensioner in their household, and make an additional £50 payment. This method would correctly deliver £50 payments to about 4.5 million pensioners but require two separate payments to about 5.5 million pensioners every winter.

The administration cost of this option is estimated at around £12.5 million in the first year and £10 million in subsequent years. The cost of the present delivery mechanism is estimated at £11 million each year. Therefore, including the payment along with the qualifying benefit is estimated to cost an additional £1.5 million in the first year, followed by a saving of around £1 million in subsequent years. The method of payment for this winter is designed to give all eligible pensioners a single, well timed payment before Christmas.

Methods of payment for future years will be kept under review.

Miss H. McNulty

Mr. Winnick: To ask the Secretary of State for Social Security if he will state the outcome of the home visit made by the Benefits Agency to Miss H. McNulty ref. JP/4L/JKM. [82274]

Angela Eagle: The administration of the Social Fund is a matter for Peter Mathison, Chief Executive of the Benefits Agency. He will write to my hon. Friend.

Letter from Peter Mathison to Mr. David Winnick, dated 27 April 1999:

The Secretary of State for Social Security has asked me to reply to your recent Parliamentary Question asking about the outcome of the visit by an officer of the Benefits Agency to Miss H. McNulty.

The purpose of the visit on 22 March was to obtain the fullest possible details of the need for a mobility scooter before undertaking a review of the decision to refuse a Community Care Grant or Budgeting Loan for the scooter.

On 25 March the reviewing officer, taking full account of the details obtained at the visit, decided that Miss McNulty's application should be treated as having medium priority for either a Community Care Grant or a Budgeting Loan, but because the District budget could only sustain applications with high priority, a payment was again refused.

A request that the application should be looked at by a Social Fund Inspector (SFI) was received from Miss McNulty on 30 March. On 6 April the relevant papers were copied to Miss McNulty to give her the opportunity to comment. Her reply was sent to the SFI dated 8 April. The outcome of the decision of the SFI, issued on 21 April 1999, was that the decision of the reviewing officer to refuse a payment from the Social Fund was correct.

I am sorry I have to give what must be a disappointing reply for Miss McNulty.

Marginal Tax Rates

Mr. Whittingdale: To ask the Secretary of State for Social Security (1) how many people faced marginal tax rates, including social security of over *(a)* 40 per cent., *(b)* 50 per cent., *(c)* 60 per cent., *(d)* 70 per cent., *(e)* 80 per cent., *(f)* 90 per cent. and *(g)* 100 per cent. in each year since 1996–97; [82237]

(2) how many people will face marginal tax rates including social security of over *(a)* 40 per cent., *(b)* 50 per cent., *(c)* 60 per cent., *(d)* 70 per cent., *(e)* 80 per cent., *(f)* 90 per cent. and *(g)* 100 per cent. taking account of the introduction of the working family tax credit and the children's tax credit. [82236]

Dawn Primarolo: I have been asked to reply.

The data requested are contained in the table. The table illustrates the combined effect of the 1999 Budget and the Government's reforms since the election which will see the numbers of those facing marginal rates of over 70 per cent. reduced by two thirds, significantly relieving the poverty trap.

The increased generosity of the Working Families Tax Credit (WFTC) compared with Family Credit will see an extension of in work support for families with children. Even those whose marginal rate increases as a result of this change will be better off in cash terms and see an increased return to working compared to being on benefit. On average, WFTC will give low earning families an extra £24 per week compared with Family Credit.

Impact of the 1998 and 1999 budgets on the number of families with marginal deduction rates of 40 per cent. or more[1]

Thousand

	Before	*After*
100 per cent. or more	5	0
90 per cent. or more	115	15
80 per cent. or more	255	175
70 per cent. or more	715	230
60 per cent. or more	730	950
50 per cent. or more	730	1,110
40 per cent. or more	775	1,150

[1] Figures are for families in receipt of income-related benefits or the WFTC where at least one partner works 16 hours or more, and are based on 1998–99 caseload and take-up rates.

Available historical estimates of marginal deduction rates are published in the DSS's annual departmental report, on page 16 of the 1998 report and page 57 of the 1997 report.

SCOTLAND

Scottish Parliament Building

Mr. Gorrie: To ask the Secretary of State for Scotland what is the estimated cost of the conversion of the Church of Scotland assembly hall and nearby City of Edinburgh Council office buildings, for use as a temporary home of the Scottish Parliament, broken down in to costs in respect of (i) VAT, (ii) fees, (iii) furnishings and fittings, (iv) information technology and TV facilities, (v) returning the Assembly Hall to its original state and (vi) compensating the Church of Scotland for disruption and the hire of the Edinburgh International Conference Centre as its meeting place. [77799]

Mr. Dewar *[holding answer 25 March 1999]:* The cost of converting the Church of Scotland Assembly Hall and refurbishing the nearby former City of Edinburgh Council buildings to house the Scottish Parliament is estimated to be around £7.62 million in total. Of that figure, some £4.5 million is being spent on the principal works programme, and can be broken down as follows:

Conversion/refurbishment works £3.3 million

Fees £0.5 million

VAT £0.7 million.

The cost of the works carried out to install the infrastructure to support the IT and telecoms networks and the TV production facilities are not separately identifiable, but are included in the conversion/refurbishment figure of £3.3 million given.

Fitting out the accommodation is an additional £3.1 million including VAT. The cost of furniture (£0.75 million) and IT equipment (£1.5 million) are included in that figure, and the remainder covers mainly the costs of the provision of telecoms, security systems and office equipment.

The Church of Scotland wishes to retain the new layout prepared for the Debating Chamber. Some readjustment works will be necessary, but it is too early to provide an estimate of the likely costs involved.

The Church of Scotland has neither sought nor been paid any form of compensation for disruption. The cost of hiring the EICC and related expenditure totals just over £140,000 including VAT.

Social Inclusion

Mrs. Fyfe: To ask the Secretary of State for Scotland if he will estimate the total of resources to be made available to social inclusion projects under *(a)* the New Deal and New Futures Fund, *(b)* new community schools, *(c)* early intervention schemes, *(d)* alternatives to exclusion (schools), *(e)* pre-school education initiatives, *(f)* new housing partnerships, *(g)* Rough Sleepers Initiative, *(h)* Empty Homes Initiative and *(i)* social inclusion partnerships (1) in Glasgow and (2) in Scotland. [78346]

Mr. Macdonald *[holding answer 31 March 1999]:* The Government have already allocated significant resources to these and other initiatives as part of their commitment to promote social inclusion in Scotland. The figures given relate to funding committed or estimated to be spent over the financial years 1999–2000, 2000–01 and 2001–02.

For most of these programmes, some of the committed funds have yet to be allocated to specific areas of Scotland. Where this is the case, the figures given include the total already allocated; the amount already allocated to Glasgow; and the amount which remains to be allocated. Furthermore, some of the figures given are estimated rather than formal allocations.

It is estimated that £290 million will be spent on the New Deals in Scotland in the next three years (1999–2000 to 2001–02). Of this, it is estimated that at least £54 million will be spent in Glasgow (no decision has yet been made on resources available for Glasgow under the New Deal for the Disabled). These figures make no provision for underspends in the period until March 1999.

Of the £2.0 million that has been committed from the New Futures Fund (NFF) for 1999–2000 and 2000–01 a total of £1.1 million has already been allocated to projects in Glasgow. A number of other projects are still under consideration and may receive financial support during this period. Over the next three years it is estimated that a total of £12.4 million will be spent in Scotland on NFF projects.

We plan to invest £26 million to pilot New Community Schools in every education authority over the next 3 years. On this basis, it is estimated that £1 million of the funds will be spent in Glasgow.

Of the £42 million committed to early intervention schemes over the next three years, Glasgow will receive £4.5 million in total.

Of the £24 million committed to alternatives to exclusion from school schemes over the next 3 years, £2.34 million has been allocated to Glasgow.

Of the £111 million committed to pre-school education initiatives in the first of the next three years (1999–2000), Glasgow's provisional allocation is over £12 million. A further £269 million has been committed to Scotland for the 2 subsequent years (£131 million in 2000–01 and £138 million in 2001–02) but estimates of allocations are not available at this stage.

Of the £208 million which has been earmarked to councils to support New Housing Partnerships (NHPs), £32 million has been earmarked for Glasgow. A total of £333 million has been committed to support NHPs in Scotland over the next 3 years. £125 million of that total has been set aside for assistance with debt in connection with whole stock transfers.

Of the £7 million to be spent under the Rough Sleepers Initiative in 1999–2000, £2.4 million has been allocated to Glasgow. A further £14 million has been committed to the initiative in the following 2 years.

£15 million has been committed to the Empty House Initiative over the next 3 years, of which £2.77 million has been allocated to Glasgow.

£137 million has been committed to Social Inclusion Partnerships over the next 3 years, including £48 million for the new Social Inclusion Partnerships designated in Spring 1999. Of the total, £51 million will be spent in Glasgow, of which over £24 million relates to the new Social Inclusion Partnerships.

From 1 July 1999 these programmes, apart from the New Deal, will be matters for the Scottish Parliament.

Statistical Service

Mr. Menzies Campbell: To ask the Secretary of State for Scotland what qualifications and experience will be required of the successful candidate for the position of Head of the Statistical Service in his Department. [81175]

Mr. Dewar *[holding answer 23 April 1999]:* The basic educational qualification required is an Honours degree with a substantial element of statistics and/or an equivalent post-graduate qualification. In addition, since this is a post in the Senior Civil Service, management experience at a senior level is necessary, including experience in the use and/or production of statistical information.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Scotland how many staff by grade are employed as professional statisticians in his Department; how many of these staff have been accepted as fast stream by the Civil Service Selection Board; and how many have been granted chartered statistician status by the Royal Statistical Society. [81208]

Mr. Dewar *[holding answer 23 April 1999]:* Statistical work is undertaken by a range of specialists, including Research Officers, Economists and Statisticians. Since 1996, The Scottish Office has employed statisticians through its own departmental recruitment as well as through the Civil Service Selection Board. This resulted from a rapid growth in statistics posts coupled with a shortfall of recruits from the Civil Service Selection Board source.

Withe my Department there are 36 statisticians recruited through the Civil Service Selection Board: 25 at Band C and 11 at Band B. There are also 13 statisticians at Band B who were directly recruited by the Department. All are managed by a chief professional officer at Senior Civil Service level: at the present time this post is vacant.

Affiliation to the Royal Statistical Society is not mandatory and some members of staff may not have reported acquisition of Chartered Statistician status. There are four statisticians at Band C who are known to hold Chartered Statistician status.

Mr. Menzies Campbell: To ask the Secretary of State for Scotland how many staff who have worked as professional statisticians in his Department have left on early retirement in each of the past 10 years. [81188]

Mr. Dewar *[holding answer 23 April 1999]:* Statistical work is undertaken by a range of specialists, including Research Officers, Economists and Statisticians. Since 1996, The Scottish Office has employed statisticians through its own departmental recruitment as well as through the Civil Service Selection Board. This resulted from a rapid growth in statistics posts coupled with a shortfall of recruits from the Civil Service Selection Board source.

The number of professional statisticians who have left on early retirement in the last 10 years is seven. Four of these had transferred into administration at an earlier stage in their career. Details by year are shown in the table.

Early retirement of staff who have worked as professional statisticians

Year	*Number*
1998–1999	1
1997–1998	1
1996–1997	2
1995–1996	—
1994–1995	2
1993–1994	1
1992–1993	—
1991–1992	—
1990–1991	—
1989–1990	—

Job Creation

Mr. Moore: To ask the Secretary of State for Scotland if he will list in date order since 2 May 1997 each occasion on which Scottish Office ministers have made announcements about the creation or safeguarding of jobs in Scotland indicating *(a)* the business and the economic sector to which it belongs, *(b)* its address in Scotland, *(c)* the number of jobs to be (i) created and (ii) safeguarded, *(d)* the nature of the assistance offered by the Scottish Office and other Government agencies, *(e)* the reference number of Scottish Office press notices issued in association with the announcement and *(f)* the Minister who made the announcement. [82184]

Mr. Dewar *[holding answer 26 April 1999]:* News Releases issued where Ministers have made announcements about creation or safeguarding jobs are available on:

1. The Scottish office website at *www.scotland.gov.uk/news/archive.asp* for all news releases issued from October 1997.

   All Scottish Office news releases are also available in the House of Commons Library.

2. The Locate in Scotland website *www.lis.org.uk/lisnws.cfm* for news releases relating to inward investment announcements from September 1997.

   Further information on announcements up to March 1998 is available in the Locate in Scotland Annual Review for 1997–98.

Pollution

Mr. Dalyell: To ask the Secretary of State for Scotland if the Scottish Environment Protection Agency will list the worst repeat offenders against pollution legislation in a form similar to that published for England and Wales. [81277]

Mr. Macdonald: The Scottish Environment Protection Agency has no plans to publish a league table of offenders in a similar way to that recently published by the Environment Agency. Information on offences against environmental legislation is published in the Scottish Environment Protection Agency's Annual Reports, copies

of which are in the Library. Information on offences in 1998–99 will be included in the report due to be published later this year.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Mr. Dalyell: To ask the Secretary of State for Scotland what assessment he has made of the enforcement regime and level of fines imposed in Scotland against those who transgress pollution standards. [81278]

Mr. Macdonald: The Scottish Environment Protection Agency is the statutory regulator for environmental standards in Scotland. I am satisfied that the Agency is both a firm and fair regulator and is prepared to take enforcement action against those who breach standards or illegally pollute the environment.

In addition to referring cases to the Procurator Fiscal, there are various forms of enforcement action available to the Scottish Environment Protection Agency. These include the issue of improvement and prohibition notices. Enforcement action can lead to adverse publicity and loss of accreditation for those companies which have independent environmental management systems. These factors are often stronger deterrents than fines.

It is for the Procurator Fiscal to decide whether it would be in the public interest to prosecute a case referred to him by the Scottish Environment Protection Agency. The level of fines for pollution offences is entirely a matter for the Sheriff to consider in each case.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Mussel Farming

Mr. Maclennan: To ask the Secretary of State for Scotland if he will include mussel farming as an approved measure under the agricultural business improvement scheme. [82533]

Mr. Macdonald: The legislation governing the Agricultural Business Improvement Scheme was recently amended following suggestions from industry representatives and detailed negotiations with the European Commission. Mussel farming was not raised in those discussions and there are no plans to include it as an approved measure. The Scheme closes to grant applications on 31 October 1999.

From 1 July 1999, this will be a matter for the Scottish Parliament.

FOREIGN AND COMMONWEALTH AFFAIRS

Nurse Shortages

Mr. Vaz: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent representations he has received concerning the shortage of nurses in the United Kingdom. [77837]

Mr. Tony Lloyd: We have received no recent representations; however, at the Commonwealth Health Ministers meeting in Barbados in November 1998, the Minister of Health for Jamaica made representations to my right hon. Friend the Secretary of State for Health about concerns in the region that there was a drain of trained nurses to the UK. It was agreed that a collaborative approach should be developed.

British Council Libraries

Mr. Don Foster: To ask the Secretary of State for Foreign and Commonwealth Affairs what guidance is in place for the choice of books that are acquired by the British Council for its overseas libraries; what restrictions are imposed by *(a)* the UK and *(b)* other Governments regarding what texts can be supplied in any particular country. [79942]

Mr. Fatchett *[holding answer 14 April 1999]:* The Government do not give the Council guidance on books for its libraries, which is an operational matter for the Council's management.

European Commission Staff (Security Clearance)

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs how many Commission staff will receive clearance, in accordance with 1999/218/EC (Official Journal L80, 25.3.99), for access to *(a)* confidential, *(b)* secret and *(c)* top secret material; what categories of information are covered; what is his policy thereto; what contribution to screening Government agencies will make, and at what cost; and if he will make a statement. [81043]

Ms Quin: Commission Decision 1999/218/EC extends Decision C(94)3282 of 30 November 1994 on the security vetting of European Commission staff to cover documents relating to the Common Foreign and Security Policy. It does not affect the security clearance of staff already working for the Commission.

There have been no applications to the Foreign and Commonwealth Office (which is responsible for the security vetting of all UK nationals directly recruited to work at the Commission) by the European Commission for the security clearance of UK nationals since the publication of Commission Decision 1999/218/EC. It is expected that the numbers of Commission staff cleared by the Foreign and Commonwealth Office each year will remain the same (ie six or seven a year). Similarly, the Commission do not expect the overall number of their staff requiring security clearance to rise significantly.

The vetting procedures set out in Commission Decision 1999/218/EC are applicable to classified information held by the Commission, including that relating to the Common Foreign and Security Policy of the European Union. The Foreign and Commonwealth Office are usually asked to clear Commission staff to see up to and including Secret material. The cost of security vetting is approximately £11 for Confidential clearance and £149 for Secret clearance.

Entry Clearance

Fiona Mactaggart: To ask the Secretary of State for Foreign and Commonwealth Affairs how many people in *(a)* Islamabad, *(b)* Karachi, *(c)* Bombay, *(d)* New Delhi, *(e)* Calcutta, *(f)* Madras, *(g)* Colombo, *(h)* Jamaica, *(i)* Barbados, *(j)* Russia, *(k)* Poland, *(l)* Zimbabwe, *(m)* Ghana, *(n)* Bangladesh, *(o)* Lagos and *(p)* Abuja

(i) applied for, (ii) were granted and (iii) were refused entry clearance as visitors in *(a)* 1998 and *(b)* 1999 to the latest date for which figures are available. [81686]

Mr. Tony Lloyd: The figures requested are as follows:

Visit visa applications 1998

Post	*Received*	*Issued*	*Refused*
Islamabad	38,250	26,737	5,615
Karachi	27,536	22,270	3,116
Bombay	61,450	55,957	4,528
Calcutta[1]	n/a	n/a	n/a
Madras	23,544	23,065	837
Colombo	13,999	12,714	510
Kingston	3,203	2,957	161
Bridgetown	688	615	57
Moscow	76,976	73,172	2,077
St. Petersburg	14,279	13,621	636
Ekaterinburg	2,921	2,837	64
Warsaw	1,139	980	109
Harare	1,511	1,258	258
Accra	22,159	16,130	4,826
Dhaka	12,822	9,823	2,776
Lagos	42,913	29,840	8,351
Abuja	11,331	9,962	1,421
New Delhi	57,804	50,538	7,742

[1] The figures for Calcutta are not yet available

1999 figures will not be available until posts complete their 1999 Annual Statistical Return early in the year 2000. Figures are collated in this way on an annual basis only and could be obtained in the interim only at disproportionate cost.

Falkland Islands (Fisheries)

Mr. Ben Chapman: To ask the Secretary of State for Foreign and Commonwealth Affairs (1) if it is his policy to assist the Falkland Islands Fisheries Department to prevent illegal fishing within the Falkland Islands Fisheries Protection Zone; and if he will make a statement; [81879]

(2) if approval has been given for the Falkland Islands Fisheries Department to *(a)* arm and *(b)* use a 0.50 inch calibre gun, on one of its fisheries protection vessels. [81876]

Mr. Gill: To ask the Secretary of State for Foreign and Commonwealth Affairs (1) what steps he is taking to prevent illegal fishing in Falkland Islands waters; [81963]

(2) what assessment he has made of the extent of illegal fishing in Falkland Islands waters; and if he will make a statement; [81961]

(3) what representations he has received about illegal fishing in Falkland Islands waters; and if he will make a statement. [81962]

Mr. Donald Anderson: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will approve the application of the Falkland Islands Government to utilise a 0.50 inch calibre gun for fisheries protection purposes. [82217]

Mr. Nicholas Winterton: To ask the Secretary of State for Foreign and Commonwealth Affairs (1) if he will make a statement on the timescale in granting permission for the arming of a Falkland Islands fishery protection vessel with a 0.50 inch calibre gun; [82058]

(2) if he will make a statement on the timescale in the arming of a Falkland Islands fishery protection vessel; [82060]

(3) what assessment he has made of the level of illegal fishing being carried out in the water around the Falkland Islands; and if he will make a statement. [82057]

Mr. Tony Lloyd: We take the matter of illegal fishing in the Falkland Islands seriously and it is our shared objective with the Falkland Islands Government to combat the problem. Illegal fishing has the potential to undermine the Falklands economy and attempts to conserve fish stocks. Recently, there have been up to an estimated 50 unlicensed vessels in Falklands waters and we assume that all were engaged in illegal fishing activities. The number of vessels now appears to be declining.

In January this year, we authorised the arming of a Fisheries Protection Vessel (FPV) with a 20mm Oerlikon cannon, which is the best weapon for the task of deterring illegal fishing and dealing with it, if necessary. The Falkland Islands Government (FIG) are responsible for the procurement and shipment of the cannon. This process has taken longer than anticipated. We have tried to help FIG speed up the shipment of the consignment but it cannot be carried on a passenger aircraft together with the ammunition needed. Accordingly, the Ministry of Defence has agreed to fly the cannon out on the next freight flight on 6 May.

FIG requested approval for temporary use of a smaller, 0.50 inch, machine gun on an FPV, as an interim measure. This request was carefully considered and a decision was made not to give approval. The machine gun is not a good visible deterrent and there are concerns that warning shots, which the FPV would be required to fire to alert a suspected unlicensed vessel, would not be seen or heard.

As a temporary measure, the Ministry of Defence has agreed to our request for one of the Royal Navy vessels stationed in the Falklands to accompany an FPV on its patrols. We have also made representations to the Taiwanese authorities in London and Taipei, as the majority of unlicensed vessels in Falklands waters are theirs. We shall continue to urge the Taiwanese authorities to bring their fleet under control.

We have received representations on this issue from FIG and its Fisheries Department, several MPs and from members of the public. Commercial operators who are licence-holders have made indirect representations.

We shall continue to support FIG in its attempts to combat illegal fishing.

Mr. Ben Chapman: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the application of the provisions of the White Paper, Partnership for Progress and Prosperity, concerning environmental protection to the waters within the Falkland Islands Fisheries Protection Zone; and what plans he has to ensure that the Falkland Fisheries Department is equipped to implement that policy. [81878]

Mr. Tony Lloyd: Our stated objective in the White Paper: Partnership for Progress and Prosperity is to use the environment of Overseas Territories to provide benefits to the people in them, and to conserve our global heritage by managing sustainably all the Overseas Territories' natural resources. The Falkland Islands

Government administer the fisheries within their waters and the revenue from fishing licences is the mainstay of the Falklands economy. Effective management of the fishery helps in efforts to conserve fish stocks. Enforcement of the licensing regime is the responsibility of the Falkland Islands Fisheries Department which have two Fisheries Protection Vessels at their disposal. Ministers have authorised the Falkland Islands Government to purchase a 20mm Oerlikon Mk7A cannon for installation on one of the vessels to help deter unlicensed vessels from fishing in Falklands waters. There are no further plans at present.

Mr. Ben Chapman: To ask the Secretary of State for Foreign and Commonwealth Affairs what steps he has taken to assist the Falklands Islands Government to meet its international obligations in terms of conserving living resources around its coastline, as set out in the White Paper, Partnership for Progress and Prosperity; and if he will make a statement. [81877]

Mr. Tony Lloyd: As stated in the White Paper: Partnership for Progress and Prosperity, British accession to the United Nations Convention on the Law of the Sea (UNCLOS) was extended to the Overseas Territories including the Falkland Islands. Article 61 of UNCLOS requires States to take measures to conserve living marine resources in their exclusive economic zones (EEZs). In the Falkland Islands, the requirement is met through the administration of its fishery. The Falkland Islands has no EEZ, nor does it have to declare one.

Article 61 also requires the Falkland Islands to co-operate within regional fisheries organisations to meet conservation and management aims. To promote such co-operation, Falkland Islands Government officials form part of the British delegation which attends regular meetings of the South Atlantic Fisheries Commission (SAFC) with the Argentines. SAFC is a forum for the exchange of information which assists with the management of fish stocks and in which ways of conserving of commercially important fish stocks in the South Atlantic are discussed. We continue to support the European Union in its efforts to encourage Argentina to help establish a South West Atiantic Multilateral Fisheries Agreement.

Child Soldiers

Mr. Green: To ask the Secretary of State for Foreign and Commonwealth Affairs what is the Government's policy on the use of child soldiers; and if he will make a statement. [82329]

Mr. Tony Lloyd: The Government are committed to bringing to an end the use of child soldiers in contravention of the UN Convention on the Rights of the Child. We urge all Governments and armed groups to adhere to the international humanitarian and human rights standards that protect the rights of children in conflict situations. We support the work of the United Nations to protect those children affected, particularly the work of the UN Special Representative for Children in Armed Conflict. The UK played a leading role in the establishment of the use of child soldiers as a war crime in the statute of the International Criminal Court.

On 2 March 1999, *Official Report*, column 895, we announced a new UK commitment of £10 million to promote stability in Sierra Leone. A condition of this assistance is that children under 16 must not be used by the Sierra Leone Armed Forces or the Civil Defence Force. We believe that this may be the first time that any Government have made non-use of child soldiers an explicit condition of such assistance.

Senator Pinochet

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs who in his Department had access to the Foreign Office report written in Madrid on 16 October 1998 pertaining to Senator Pinochet and passed to his Department; at what time of day; and what action was taken as a result. [82408]

Mr. Tony Lloyd: I refer the hon. Member to the replies I gave to the hon. Member for Chesham and Amersham (Mrs. Gillan) on 10 February 1999, *Official Report*, columns *293–94*, and 16 March 1999, *Official Report*, column *620*.

Victims' Remains (Independent Commission)

Mr. Jim Cunningham: To ask the Secretary of State for Foreign and Commonwealth Affairs when he expects the agreement with the Irish Government establishing an independent commission for the location of victims' remains to be signed. [82713]

Ms Quin: The Agreement was signed on 27 April. Copies of the Agreement are available from the Vote Office, have been placed in the Libraries of the Houses of Parliament, and will be published later in the usual way.

Treaty of Amsterdam

Mr. Jim Cunningham: To ask the Secretary of State for Foreign and Commonwealth Affairs when he expects the Treaty of Amsterdam to come into force. [82714]

Ms Quin: The process of ratification of the Treaty of Amsterdam was completed on 30 March, when France deposited its instrument of ratification with the Italian Government.

In accordance with Article 248 of the Treaty on European Union, the Treaty of Amsterdam will come into force on Saturday 1 May 1999.

Falkland Islands

Ms Perham: To ask the Secretary of State for Foreign and Commonwealth Affairs what exchanges he has had with the Government of Chile over the cancellation of Lan Chile flights to the Falkland Islands. [82659]

Mr. Ben Chapman: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he plans to make to the Government of Chile regarding their decree which prohibits Chilean carriers flying to the Falklands. [82055]

Mr. Robin Cook: Lan Chile have not flown to the Falklands since 31 March, when their contract with the Falkland Islands Development Corporation expired. As the Minister of State, my hon. Friend the Member for Manchester, Central (Mr. Lloyd), made clear in his answer to the hon. Member for Chesham and Amersham (Mrs. Gillan) on 25 February 1999, *Official Report*, columns *451–53*, the continuation of that contract after that date was a commercial matter for discussion between

Lan Chile and the Falkland Islands Development Corporation. On 19 April my hon. Friend reported that the Government of Chile had issued a Decree prohibiting Chilean carriers from flying to the Falklands with effect from 10 April.

I have now spoken to the Chilean Foreign Minister. I told him that we strongly disagree with his Government's Decree. I underlined that there was no justification for the Chilean Government taking such a measure and have urged Senor Insulza to reconsider it. I reminded him of the commercial and social benefits for remote communities, both in the Falklands and in southern Chile, of Lan Chile being allowed to continue flights to the Falklands.

We are in close touch with the Falkland Islands Government on alternative air links.

East Timor

Dr. Tonge: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement concerning the recent violence in East Timor. [82465]

Mr. Fatchett: I refer the hon. Member to the answer I gave to the hon. Member for Lichfield (Mr. Fabricant) on 26 April 1999, *Official Report*, column *31*.

Dr. Tonge: To ask the Secretary of State for Foreign and Commonwealth Affairs what reports he has received of the killing of refugees at a church in Liquica, East Timor, on 6 April. [82500]

Mr. Fatchett: We have received reports that on 6 April a number of civilians, who had sought refuge in a church in Liquica, East Timor, were killed during a violent clash with a pro-Indonesia militia group. The number of casualties remains unclear, as does the role of the Indonesian security forces in the incident.

EDUCATION AND EMPLOYMENT

Education Expenditure

Mr. Don Foster: To ask the Secretary of State for Education and Employment if he will list by local education authority the expenditure per pupil at 1998–99 prices from aggregate schools budgets in *(a)* maintained primary schools and *(b)* maintained secondary schools in (i) 1996–97, (ii) 1997–98 and (iii) 1998–99, giving the average percentage change from (1) 1996–97 to 1997–98 and (2) from 1997–98 to 1998–99. [81648]

Ms Estelle Morris: I have placed a table in the Library showing, for each local education authority in England for the financial years 1996–97 to 1998–99, the aggregated schools budget for primary and secondary schools giving *(a)* the aggregated schools budget per pupil, *(b)* the real terms figure per pupil adjusted for 1998 real terms figures and *(c)* the percentage change on the previous year.

School Budgets

Mrs. Anne Campbell: To ask the Secretary of State for Education and Employment what proportion of each shire county's education department budget was allocated to school budgets in 1998–99. [82187]

Ms Estelle Morris: The following table shows the proportion of each shire county's education General Schools Budget which was allocated to schools through the Aggregated Schools Budget in 1998–99. Information on local authority education department budgets is not allocated centrally.

1998–99	*ASB as percentage of GSB*
Bedfordshire	75.6
Buckinghamshire	69.8
Cambridgeshire	64.9
Cheshire	75.6
Cornwall	70.2
Cumbria	73.6
Derbyshire	69.6
Devon	72.2
Dorset	74.4
Durham	71.9
East Sussex	75.0
Essex	72.1
Gloucestershire	74.6
Hampshire	78.7
Hertfordshire	76.9
Kent	76.7
Lancashire	73.1
Leicestershire	76.0
Lincolnshire	78.3
Norfolk	74.2
North Yorkshire	77.2
Northamptonshire	74.4
Northumberland	75.8
Nottinghamshire	79.3
Oxfordshire	75.0
Shropshire	73.3
Somerset	75.0
Staffordshire	74.3
Suffolk	79.4
Surrey	74.3
Warwickshire	74.1
West Sussex	77.3
Wiltshire	69.6
Worcestershire	76.4

School Attendance

Mr. Kidney: To ask the Secretary of State for Education and Employment what plans he has for changing the age at which it is compulsory for children to attend school. [81990]

Ms Estelle Morris: None.

SSAs

Mr. Willetts: To ask the Secretary of State for Education and Employment if he will list the local education authorities, which at the latest date for which information is available, were not fully passing on to schools any increases in their standard spending assessment in respect of education. [82335]

Ms Estelle Morris *[holding answer 27 April 1999]:* Budget information for 1999–2000 is currently being collected and checked by the Department. We will publish authoritative data showing the plans of the authorities, including the amounts to be held back centrally, in June.

Physical Education

Mr. Spring: To ask the Secretary of State for Education and Employment what is his estimate of the *(a)* number and *(b)* percentage of total school hours that is spent on physical education in (i) primary and (ii) secondary schools in the last year for which figures are available. [81806]

Mr. Charles Clarke: The number of school hours spent on physical education varies from school to school. Evidence from Ofsted inspections during 1998 of the average number of hours per week primary and secondary schools currently spend teaching National Curriculum PE is given.

	Average hours of PE per week (approximately)
Key Stage 1 (ages 5–7)	1 hour 20 minutes
Key Stage 2 (ages 7–11)	1 hour 35 minutes
Key Stage 3 (ages 11–14)	2 hours
Key Stage 4 (ages 14–16)	1 hour 15 minutes

As a percentage of teaching time, these times are approximately: Key Stage 1—6.3 per cent.; Key Stage 2—6.8 per cent.; Key Stage 3—8.3 per cent. and Key Stage 4—5.2 per cent. These figures do not account for travelling and changing time incurred in the provision of swimming tuition. At Key Stage 4, the figure relates to the time allowed for the National Curriculum compulsory component of PE. Pupils studying for GCSE normally have between 8 per cent. and 12 per cent. extra time for the examination course.

Laboratories (Schools)

Dr. Gibson: To ask the Secretary of State for Education and Employment what plans he has to improve the standards of science laboratory furbishment in schools. [82491]

Mr. Charles Clarke: Decisions on how best to refurbish science laboratories in schools rest with individual local education authorities and governing bodies. Since the Election, we have provided an additional £680 million for specific improvements to school buildings through the New Deal for Schools programme. £9.5 million of the £340 million allocated through the New Deal for Schools in March 1999 was for improvements to science laboratories. The Department provides guidance in its 1995 publication, 'Science Accommodation in Secondary Schools: A Design Guide'. This is currently being updated.

New Deal (Young People)

Mr. Field: To ask the Secretary of State for Education and Employment how many of those invited to join the New Deal for Young People in January 1998 had found unsubsidised employment lasting for more than 13 weeks by the end of January 1999. [82163]

Mr. Andrew Smith: Of the 6,826 young people who were invited to join New Deal for 18 to 24 year olds in January 1998, 2,065 had found sustained unsubsidised employment without returning to JSA within 13 weeks by January 1999. A further 2,366 of the invitees are still taking part in the New Deal.

New Deal (Schools)

Mr. Hesford: To ask the Secretary of State for Education and Employment what estimate he has made of the number of schools which will benefit from the New Deal for Schools. [81861]

Mr. Charles Clarke: Since the introduction of the New Deal for Schools programme, we have approved funding of £680 million for work at some 11,000 schools in England.

NORTHERN IRELAND

Greenhouse Gas Emissions

6. **Mr. Bennett:** To ask the Secretary of State for Northern Ireland what contribution to the Government's Kyoto commitments she expects Northern Ireland to make. [81286]

Mr. Paul Murphy: I expect the new Northern Ireland Assembly to play its full part in contributing to the United Kingdom's commitments under the Kyoto Protocol.

May I take this opportunity to tell the House that, in Belfast, 23 schools and colleges have with help from Phoenix Gas, been converted to natural gas which will save 12,000 tons of CO_2 over 3 years. This will help children's health and reduce costs.

Good Friday Agreement

7. **Mr. Rammell:** To ask the Secretary of State for Northern Ireland if she will make a statement on the progress of inter-party negotiations to establish the Northern Ireland Executive. [81287]

Mr. Paul Murphy: The parties, supported by both Governments, have worked intensively over the last few weeks but have yet to reach a consensus on how to overcome the remaining difficulties preventing the full implementation of the Belfast Agreement. Discussions are continuing to try to achieve the cross-community support necessary for the successful establishment of the Executive.

8. **Mrs. Butler:** To ask the Secretary of State for Northern Ireland what consultations she has had with the Northern Ireland parties on implementing the Good Friday Agreement in the last six weeks. [81290]

Marjorie Mowlam: I and my Ministerial colleagues continue to have regular meetings with the Northern Ireland parties concerning the implementation of the Good Friday Agreement.

12. **Mr. Winnick:** To ask the Secretary of State for Northern Ireland if she will make a statement on the implementation of the Good Friday agreement. [81294]

18. **Dr. Palmer:** To ask the Secretary of State for Northern Ireland if she will make a statement on progress in implementing the Good Friday agreement. [81300]

21. **Mr. Soley:** To ask the Secretary of State for Northern Ireland if she will make a statement on developments in the Northern Ireland peace process. [81303]

22. **Gillian Merron:** To ask the Secretary of State for Northern Ireland if she will make a statement on progress in implementing the Good Friday agreement. [81304]

23. **Mr. Connarty:** To ask the Secretary of State for Northern Ireland what progress has been made towards establishing an Executive for the Northern Ireland Assembly. [81305]

Marjorie Mowlam: I refer my hon. Friends to the replies I gave to my hon. Friends the Members for Harrow, East (Mr. McNulty) and for Harlow (Mr. Rammell) on 28 April 1999, *Official Report*, columns 325 and *184*.

15. **Mr. Savidge:** To ask the Secretary of State for Northern Ireland what discussions she has held with the Irish Government on ways to advance the peace process in the past six months. [81297]

24. **Mr. Borrow:** To ask the Secretary of State for Northern Ireland what meetings she has had with the Irish Government concerning the implementation of the Good Friday agreement. [81306]

Dr. Godman: To ask the Secretary of State for Northern Ireland what recent meetings she has held with representatives of the Irish Government concerning the implementation of the Good Friday Agreement. [81289]

Marjorie Mowlam: I continue to have regular contact with representatives of the Irish Government concerning the implementation of the Good Friday Agreement. Both Governments remain united in their determination to make progress and to ensure that all parties live up to all their commitments under the Agreement.

Prisoner Releases

9. **Mr. Brazier:** To ask the Secretary of State for Northern Ireland how many persons convicted of murder have been released under the Good Friday agreement to date. [81291]

Mr. Ingram: To date there have been 82 prisoners, released under the terms of the Northern Ireland (Sentences) Act 1998, who were convicted of murder. This is drawn from information current at 16 April 1999.

13. **Mrs. Ann Winterton:** To ask the Secretary of State for Northern Ireland how many prisoners have been released under the accelerated release scheme set up by the Northern Ireland (Sentences) Act 1998 to date. [81295]

Mr. Ingram: To date there have been 259 prisoners released under the terms of the Northern Ireland (Sentences) Act 1998. This is drawn from information current at 16 April 1999.

Public Appointments

10. **Mr. Vaz:** To ask the Secretary of State for Northern Ireland if she will make a statement on the numbers of public appointments she has made since 1 January. [81292]

Mr. Paul Murphy: There have been 474 public appointments since 1 January.

Decommissioning

11. **Mr. Barnes:** To ask the Secretary of State for Northern Ireland if she will make a statement about progress towards the decommissioning of illegally held weapons. [81293]

19. **Mr. Ian Bruce:** To ask the Secretary of State for Northern Ireland what arms and explosives have been decommissioned; by which groups; and under what circumstances. [81301]

Mr. Ingram: The LVF decommissioning event which took place on 18 December last year was a positive and significant act. The Independent International Commission on Decommissioning verified and destroyed sub-machine guns, rifles, handguns, ammunition, explosive devices and detonators. I urge the LVF to continue and other paramilitary groups to start decommissioning now.

20. **Mr. St. Aubyn:** To ask the Secretary of State for Northern Ireland if she will make a statement on progress towards the decommissioning of illegally held arms and explosives. [81302]

Mr. Ingram: I refer the hon. Member to the reply I gave to the hon. Member for Macclesfield (Mr. Winterton) on 28 April 1999, *Official Report*, column 330.

Security Measures

14. **Mr. Salter:** To ask the Secretary of State for Northern Ireland if she will make a statement on the steps being taken towards normalising security procedures. [81296]

Mr. McCabe: To ask the Secretary of State for Northern Ireland if she will make a statement on recent steps taken towards scaling down security measures. [81288]

Mr. Ingram: Since July 1997, the Chief Constable has announced a progressive reduction in security measures in the province.

Specific measures include a reduction in troop levels, which now stand at under 15,000, fewer than at any time since 1970, a two-thirds reduction in military patrolling, up to a third reduction in helicopter activity and the closure of 25 military bases and installations.

The security situation continues to be kept under close scrutiny and further progress will depend on the assessment of the terrorist threat.

New Deal

16. **Mr. Jenkins:** To ask the Secretary of State for Northern Ireland how many companies have signed up to the New Deal initiative in Northern Ireland. [81298]

Mr. McFall: At the end of March 1999, 2,370 Northern Ireland companies had confirmed their support for New Deal by signing an Employer Agreement.

School Links

17. **Helen Jones:** To ask the Secretary of State for Northern Ireland what steps she is taking to encourage links between schools in Great Britain and Northern Ireland. [81299]

Mr. McFall: Seventy six schools from Great Britain are involved with schools from Northern Ireland and other parts of Europe in a curriculum based European Studies project. These schools form cluster groups and work together on common projects to explore relationships within the United Kingdom and also both the Republic of Ireland and the rest of Europe.

The Department of Education Northern Ireland also funds the Warrington Project which has established a series of Northern Ireland/Republic of Ireland/Warrington links at primary school level and which aims to promote a 'whole school' approach to cross community activity through the curriculum.

The development of the National Grid for Learning will also enable all schools to have easier access to one another, through information technology.

Murders

25. **Rev. Martin Smyth:** To ask the Secretary of State for Northern Ireland what progress has been made in bringing to justice the murderers of the Reverend Robert Bradford and Mr. Edgar Graham. [81307]

Mr. Ingram: Two persons were arrested for the murders of the Reverend Bradford and Mr. Kenneth Campbell, interviewed and released without charge. Despite an extensive police investigation no persons have to date been made amenable for these crimes.

In respect of Mr. Graham's murder, one person, convicted of making property available and withholding information was sentenced to two years imprisonment suspended for three years. Another was convicted of withholding information and sentenced to 18 months' imprisonment suspended for two years. A number of other persons were arrested and interviewed in relation to this murder.

The RUC review all murder investigations. New or further evidence will be acted upon with diligence.

Tourism

26. **Mr. Lock:** To ask the Secretary of State for Northern Ireland what assessment she has made of the impact of the tourism industry on the economy of Northern Ireland. [81308]

Mr. Ingram: During 1998, staying visitors in Northern Ireland contributed £217 million to the Northern Ireland economy, with an additional estimated £57 million from domestic tourism (totalling £274 million). This accounts for approximately 2 per cent. of Northern Ireland's GDP and sustains the equivalent of 14,750 full-time jobs in the industry.

Driving Licences

Mr. John D. Taylor: To ask the Secretary of State for Northern Ireland when she plans to make Canadian driving licences exchangeable for Northern Ireland driving licences. [81494]

Mr. Paul Murphy: The ability to exchange a Canadian driving licence for a Northern Ireland licence would require new Northern Ireland primary legislation. This will be a matter for the new Assembly to consider, taking account of similar legislation introduced in Great Britain last August.

Parks and Play Areas

Mr. Hume: To ask the Secretary of State for Northern Ireland what assessment she has made of the condition of public parks and play areas in Northern Ireland and the impact of social and policing problems related to the conflict of the past 30 years on such facilities. [81626]

Mr. Paul Murphy: Any assessment of the condition of public parks and play areas in Northern Ireland would be a matter for individual district councils. I am not aware that a general survey of these facilities has been carried out. The impact of social and policing problems over the years has not, therefore, been considered by central government.

Mr. Hume: To ask the Secretary of State for Northern Ireland what measures the Government plan to take to improve parks and play areas in Northern Ireland. [81625]

Mr. Paul Murphy: The establishment and upkeep of parks and play areas in Northern Ireland are functions of district councils. The Government have no plans to provide financial assistance or to make improvements in these areas.

Political Activity (Staff)

Mr. McGrady: To ask the Secretary of State for Northern Ireland what is the policy of her Department in respect of members of staff engaged in political activity. [81860]

Mr. Paul Murphy: All civil servants are required to observe rules on engagement in political activities liable to give public expression to political views. The rules are intended to protect the political impartiality of the Civil Service whilst giving individuals the greatest possible freedom to participate in public affairs.

The extent to which a member of staff is permitted to engage in political activity, and whether they are required to seek permission from their department, is determined by reference to the grade of the individual and the nature of their official duties. Even where permission has been granted, the individual is required to observe fully the general rules on conduct and the code of discretion which governs the extent to which a civil servant may express political views.

All staff are barred from any form of political activity whilst on duty or in uniform or on official premises.

The rules on political activity are contained in the Northern Ireland Civil Service Pay and Conditions of Service Code which is available to all staff. Similar rules applying to Home Civil Servants are contained in their Staff Handbook.

Mr. McGrady: To ask the Secretary of State for Northern Ireland what action was taken following the investigations into a member of staff from the Department of the Environment-Planning Service who appeared on a public platform at a rally in support of the Spirit of Drumcree Group in November 1995; and if she will place the report of the inquiry in the Library. [81885]

Mr. Paul Murphy: Following an internal investigation, and having considered representations made by him, the Department of the Environment (NI) concluded that the officer concerned had, by his comments and actions in November 1995, breached the Conduct section of the Northern Ireland Civil Service Pay and Conditions of Service Code. The officer consequently received, in December 1998, a formal written reprimand and a warning as to his future conduct.

As disciplinary action involving a civil servant is an internal matter which is dealt with by his/her employing Department in confidence, and in strict accordance with established procedures, it is not appropriate for any papers relating to this internal investigation to be placed in the Library. The officer concerned has, in any case, indicated his intention to appeal against the disciplinary penalty imposed.

Pensioners

Mr. Levitt: To ask the Secretary of State for Northern Ireland what measures she is taking to assist pensioners in Northern Ireland. [81282]

Mr. McFall: I refer my hon. Friend to the answer I gave to my hon. Friend the Member for Bristol, North-West (Dr. Naysmith) on 28 April 1999, *Official Report*, column 332.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Northern Ireland if she will make a statement on her Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions her Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81766]

The Attorney-General: I have been asked to reply.

I answer this question on behalf of the Northern Ireland Office because as Attorney-General for Northern Ireland I have statutory superintendence of the Director of Public Prosecutions for Northern Ireland and appoint the Crown Solicitor and Senior and Junior Crown Counsel in Northern Ireland. Senior Crown Counsel is a Queen's Counsel. Both Counsels are retained by the Crown to undertake work on behalf of the Government and Northern Ireland Departments.

In civil cases, in conducting Government work, the most important work would be undertaken by Senior Crown Counsel. In other cases where a Queen's Counsel is required and it is not possible to instruct Crown Counsel, either because of his workload or because of the need for specialist skills, a Queens Counsel is instructed from amongst the Bar of Northern Ireland.

The Director of Public Prosecutions for Northern Ireland nominates three counsels, one of whom is a Queen's Counsel, to whom he would first have recourse to prosecute the most serious of prosecutions. Thereafter, in any case requiring a Queen's Counsel he would instruct counsel from the Bar of Northern Ireland.

In determining whether a Queen's Counsel is to be instructed, the Crown Solicitor and the Director of Public Prosecutions for Northern Ireland will consider the individual circumstances in each case. They will take into account, inter alia, the weight and complexity of the evidence and the degree of experience and expertise required before deciding whether Queen's Counsel should be instructed.

It should be understood that Northern Ireland is a separate jurisdiction with its own laws, courts and independent Bar. The role of counsel also differs from that of counsel in England and Wales: in particular, in criminal cases, in relation to the contact counsel in Northern Ireland has with witnesses and victims. The consideration given to the instruction of counsel by the Crown Solicitor and Director of Public Prosecutions for Northern Ireland will be made in the light of the particular circumstances of the separate jurisdiction of Northern Ireland.

Records are not maintained in a form which would enable the number of occasions on which the Crown Solicitor and the Director of Public Prosecutions for Northern Ireland have instructed Queen's Counsel in the last three years, and the cost of doing so, to be given without incurring disproportionate cost.

The Compensation Agency for Northern Ireland and the Departmental Solicitor's Office will both, on occasions, instruct Queen's Counsel on the same basis as the Crown Solicitor and the Director of Public Prosecutions of Northern Ireland.

WALES

Environmental Research

Mr. Llew Smith: To ask the Secretary of State for Wales, pursuant to paragraph 4.85 of his Department's Annual Report, Cm 4216, what are *(a)* the cost of the environmental research programme and *(b)* the names of each of the studies completed or in progress; and if he will place copies of each of these studies in the Library. [81941]

Mr. Jon Owen Jones: Welsh Office expenditure on the programme in 1998–99 was £320,000.

Projects in progress in 1998–99 were:

Air Quality Monitoring Database for Wales

Rural Sulphur Dioxide Monitoring in Wales

Poly Aromatic Hydrocarbons (PAH) Monitoring

Welsh Acid Waters Survey Database

Nitrogen Deposition—Impacts on Upland Acid Grassland

Biogeochemical Consequences of Climate Change on Upland Acid Grassland

Environmental Change Network—Snowdonia

UK Greenhouse Gas Emissions—Inventory for Wales

Rapid On-Site Analysis of Radioactivity in Wales

Countryside Survey 2000—Land Cover Mapping

Monitoring of Stranded Cetaceans

Macrobenthic Survey in Milford Haven

Monitoring of Sheep Dip Compounds in Private Water Supplies

Effects of Sewage Sludge Applications on Soil Microbial Activity and Fertility.

Completed project reports in 1998–99 were:

The Application of Mineral Processing Technology to the Decontamination of Metalliferous Mine Spoil

River Rhymney Minewater Study—Review of Remedial Options

Scoping Study for an INTERREG Marine Information System for the Southern Irish Sea

All-Wales Environmental Health Surveillance Project

Air Quality Monitoring Database—Second Annual Report

DETR Report—Rural Sulphur Dioxide Concentrations in the UK: 1996.

I am arranging for copies of the completed reports to be placed in the Library of the House as soon as possible.

Ministerial Meetings (US)

Mr. Matthew Taylor: To ask the Secretary of State for Wales how many times ministers in his Department held meetings with members and officials in the US Administration since 1 June 1998, indicating the dates and locations of each meeting, the ministers involved at each meeting and the US Department involved in each meeting. [82253]

Mr. Michael: None.

Housing (Newport)

Mr. Ottaway: To ask the Secretary of State for Wales if he will make a statement on Newport County Borough's plans to demolish its prefabricated housing stock and its impact on housing funding for Newport. [82423]

Mr. Jon Owen Jones: The council's stock of pre-fabricated bungalows is in very poor structural condition and the authority has engaged in intensive consultation with residents regarding the future of these properties. Any resources it allocates towards their replacement or repair will depend on its local priorities as set out in its Housing Strategy and Operational Plan. The funding of any major redevelopment programme will be a matter for the National Assembly for Wales. I have, however, been able to allocate additional credit approval of £550,000 to support the development of the council's proposals in 1999–2000.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Hospital Beds

Mr. Barry Jones: To ask the Secretary of State for Wales how many beds are currently blocked in each of the district hospitals in Wales; and if he will make a statement. [80841]

Mr. Jon Owen Jones: The latest available information relating to delayed discharges from hospital is shown by NHS Trust in the following table. Information relates to a chosen day in January 1999 (usually 31 January 1999), as reported in local authority responses to the Survey of Delayed Discharges from Hospital. The survey requested information on the numbers of hospital patients known to local authority social services departments, who were medically fit to be discharged, but were still occupying a hospital bed. All patients medically fit to be discharged are counted and may include patients whose delay came within agreed timescales for the discharge process.

NHS Trust	*Number of delayed discharges, January 1999*
Bridgend and District	5
Cardiff Community Healthcare	8
Carmarthen and District	12
Ceredigion and Mid Wales	4
Clwydian Community Care	17
East Glamorgan	1
Glan Clwyd General Hospital	16
Glan Hafren	111
Glan-y-Môr	31
Gwent Health Care[1]	27
Gwynedd Community[2]	26
Gwynedd Hospitals	7
Llandough Hospital	12
Llanelli Dinefwr	20
Morriston Hospital	69
Nevill Hall and District	31
North Glamorgan	28
Pembrokeshire and Derwen	5
Powys Health Care	12
Rhondda Health Care	32
Swansea	38
University Hospital of Wales Healthcare	68
Velindre	1
Wrexham Maelor Hospital	9
Total	590

[1] As reported by Caerphilly County Borough Council on post April 1999 Trust basis.

[2] Includes 6 patients with delayed discharges at February 1999.

Following the transfer of functions this issue will be a matter for the National Assembly.

Drug Treatment (Young Adults)

Mr. Ruane: To ask the Secretary of State for Wales how many young adults started drug treatment in each local authority area in Wales in each of the past 10 years. [81334]

Mr. Jon Owen Jones: Reliable information on the number of young adults starting drug treatment in Wales is not currently available. Some data are obtained on a voluntary basis by the Welsh Drug and Alcohol Unit although coverage is incomplete. The arrangements for collecting data in this area are currently under review.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Low Birthweight Babies

Mr. Ruane: To ask the Secretary of State for Wales what percentage of low birthweight babies were born in each (i) local and (ii) health authority area in Wales in each of the past 10 years. [81330]

Mr. Jon Owen Jones: The information readily available on a comparable basis for the 22 unitary authorities and 5 health authorities in Wales, provided by the Office for National Statistics, is for 1990 to 1997 and is given in the table.

Distribution of low birthweight babies by authority

Health authority/Unitary authority	*1990*	*1991*	*1992*	*1993*	*1994*	*1995*	*1996*	*1997*
North Wales	22	20	19	19	21	20	20	22
Isle of Anglesey	2	2	2	1	2	2	2	2
Gwynedd	4	3	3	3	3	3	4	4
Conwy	4	3	3	2	4	3	3	4
Denbighshire	3	3	2	3	4	3	2	4
Flintshire	5	5	4	5	4	4	5	5
Wrexham	4	3	5	4	4	4	4	4
Dyfed Powys	13	13	13	14	14	13	14	13
Powys	3	3	3	4	3	3	4	3
Ceredigion	2	2	2	2	2	2	1	1
Pembrokeshire	4	4	4	4	4	4	4	4
Carmarthenshire	5	4	4	5	5	4	5	4
Morgannwg	16	17	17	15	15	17	16	16
Swansea	6	7	7	6	6	8	6	6
Neath Port Talbot	5	5	5	5	4	4	6	5
Bridgend	5	5	5	4	5	5	4	5
Bro Taf	26	27	29	29	28	28	29	27
The Vale of Glamorgan	4	4	4	4	4	4	4	4
Cardiff	11	11	13	13	14	12	13	12
Rhondda, Cynon, Taff	9	9	10	10	8	9	9	9
Merthyr Tydfil	2	3	2	3	2	2	3	2
Gwent	22	23	22	23	21	22	21	22
Caerphilly	7	6	7	7	7	6	7	6
Blaenau Gwent	3	4	4	3	3	4	3	3
Torfaen	4	4	3	4	3	4	3	4
Monmouthshire	2	2	2	3	2	3	2	2
Newport	5	6	6	7	6	5	6	6

Note:
Figures may not add-up exactly due to rounding

The figures are based on birthweights below 2,500 grammes for all births, excluding cases where no birthweight was stated.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Owain Glyndwr Pennal Letter and Seal

Mr. Flynn: To ask the Secretary of State for Wales if he will request the return of the Pennal Letter and Seal of Owain Glyndwr to Wales from France for the opening of the National Assembly for Wales. [82451]

Mr. Michael: The National Library of Wales is already planning a major exhibition about the life of Owain Glyndwr for the year 2000. I have asked the National Library and the National Museums and Galleries of Wales, in co-operation, to explore urgently the practicalities of acquiring the Seal and the Letter on loan. The nature of the artefacts is such that they could be displayed only in the strictly controlled environment that can be provided by the Library and the Museum. I have asked to be informed of the outcome, and will keep my hon. Friend informed.

CABINET OFFICE

Public Bodies

Dr. Tony Wright: To ask the Minister for the Cabinet Office what upper age limits apply to the membership of public bodies; and what plans he has to review this. [82054]

Mr. Kilfoyle: All public appointments are made on merit. There are no upper age limits which apply to public appointments. I have no plans to review the current position.

TRADE AND INDUSTRY

Raw Cows' Milk

Mr. Michael J. Foster: To ask the Secretary of State for Trade and Industry, pursuant to his answer of 26 February 1999, *Official Report*, column *469*, if he will list the names of the hon. Members who wrote to him in *(a)* January, *(b)* February and *(c)* March regarding the Monopolies and Mergers Commission's inquiry into the supply of raw cows' milk. [82053]

Dr. Howells: I am placing in the Library of the House a list of the hon. Members who wrote to my right hon. Friend the Secretary of State for Trade and Industry in January, February and March regarding the Monopolies and Mergers Commission's report into the supply in Great Britain of raw cows' milk.

Insolvency

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will place the minutes of the Insolvency Review Working Party in the Library. [82008]

Dr. Howells: No. The Insolvency Regulation Working Party was established by the seven insolvency Recognised Professional Bodies and my Department's Insolvency Service. Its members were the representatives of these

bodies. The Working Party was charged with reporting to my right hon. Friend the Secretary of State and to the Presidents of the professional bodies. The Working Party has completed its task and copies of its report are in the Library of the House.

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will require those licensed under the Insolvency Act 1986 to publish information about their affairs and the impact of their actions on stakeholders. [82011]

Dr. Howells: I have no plans to do so.

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will list the insolvency practitioners licensed by his Department. [82141]

Dr. Howells: The following practitioners are authorised by my right hon. Friend the Secretary of State:

Christopher Robert Ashurst
Duncan Robert Beat
John Samuel Francis Bennett
Ashok Kumar Bhardwaj
Peter Andrew Blair
Douglas Norman Bowden
Brian Bower
Matthew Colin Bowker
Peter John Bridger
Stephen Briscoe
Colin Thomas Burke
Phillip John Burrows
Philip Gerard Byrne
Peter Geoffrey Cann
Dawn Lesley Chadwick
Trevor Irving Clark
Lawrence Cooper
John Wynn Davies
Sara Elizabeth Dayman
Andrew David Dick
Brendan Eric Doyle
Colin Duckworth
John Francis Dumble
Peter William Engel
Stephen John Evans
Clive Everitt
Evelyn Gabrielle Exley
Peter Adrian Finn
Andrew Charles Fozzard
Nola Garside
Neil Hammond Geddes
James Campbell Gibson
Roger William Gillett
Stephen Gilmore
Stephen Simon Goderski
Simon Matthew Gwinnutt
Patricia Ann Haddon
Colin Michael Trevethyn Haig
Ronald Stanley Harding
Paul William Harding
Stephen Lawrence Harfitt
Guy Charles David Harrison
Frank Anthony Hatch
Trixie Jean Haviland
Trevor Rex Hemmings
Neil Francis Hickling
John Roger Hill
Peter James Hughes-Holland
Christakis Michael Icaovides
Gethyn Islwyn Morris James
Ruth Muir James
Diane Johnston
Rowan Fergus Jones
Robert William Keating
David Crew Knight
Janice Vivienne Leigh
Philip Alan Lightfoot
Walter Lismore
Hilary Lesley Felicity Ann Lofthouse
Stephen Lord
Philip Michael Lyon
James MacLachlan
John Harvey Madden
Sandra Marshall
Paul David Meakiin
Malcolm John Mears
Stephen Charles Mileman
Daniel Britten Miller
Nicholas John Miller
Manubhai Govindbhai Mistry
Rupert Graham Mullins
John Michael Munn
Eric Nisbet
David Nisbet
Christopher John Nutting
Michael O'Connor
Rodney Gavin Owen
Christine Lesley Peak
Nigel Paul Pincott
Philip Daniel Pink
David Graham Platt
John William Powell
John Prenderville
Alan Redvers Price
Norma Rosetta Prosser
Michael Leslie Reeves
Kenneth Brian Ribgy
David John Roberts
Pamela Mary Roe
Stanley Rose
Eileen Teresa Frances Sale
John Christopher Sallabank
Rashpal Singh Sandhu
Michael Stanley Sargeant
Peter Sargent
Richard Albert Brock Saville
Richard Andrew Segal
Wendy Mary Sharpe
Christopher James Shaw
Gordon Allan Mart Simmonds
Alan Simon
Robert Soanes
David Solomons

Diana Spencer
Caroline Rose Stark
Keith Aleric Stevens
Susan Jane Stockley
John Paul Sugden
Michael Sutcliffe
William Clive Swindell
David William Tann
Steven George Taylor
David Thomas
Alan Keith Thornton
Neil Tombs
Brian Tomlinson
John David Travers
Stephen James Wainwright
Roderick John Watson
Peter George Weil
Francis F. A. Wessely
Andrew Richard Williams
Steven John Williams
David Frederick Wilson
Vernon Charles Wright
Michael William Young.

Mr. Mitchell: To ask the Secretary of State for Trade and Industry what proposals he has to replace the present regulators of the insolvency business with a single independent regulator. [82144]

Dr. Howells: I have no such proposals.

Mr. Mitchell: To ask the Secretary of State for Trade and Industry how many of the meetings held by the Insolvency Review Working Party have been open to the public. [82009]

Dr. Howells: None. The Insolvency Regulation Working Party met in private but also carried out a wide ranging consultation exercise so that all those with an interest in this field had an opportunity to make their views known.

Mr. Mitchell: To ask the Secretary of State for Trade and Industry how many complaints relating to insolvency practitioners have been referred to his Department since May 1997. [82010]

Dr. Howells: Sixty-eight complaints about insolvency practitioners authorised by my right hon. Friend the Secretary of State have been referred to my Department since May 1997.

Cashmere Wool Industry

Mr. Woolas: To ask the Secretary of State for Trade and Industry what guidance he has issued to companies operating in the United Kingdom cashmere wool industry regarding the guaranteeing of the bond imposed upon them by the United States of America. [77900]

Mr. Battle: I refer my hon. Friend to the reply given to my hon. Friend the Member for Pendle (Mr. Prentice) on 27 April 1999, *Official Report*, column *83*.

Wealth Warnings (Radio)

Mr. Whittingdale: To ask the Secretary of State for Trade and Industry, pursuant to his answer of 25 January 1999, *Official Report*, column *28*, if he is now in a position to make an announcement about the removal of wealth warnings from radio advertisements. [81572]

Dr. Howells: Since my reply of 25 January 1999, I have been undertaking further consultations with representatives of the credit industry and consumer bodies. Once these have been concluded, and I have considered their responses, I will make a further announcement.

Royal Mail

Mr. Stevenson: To ask the Secretary of State for Trade and Industry if he will list the delivery *(a)* targets and *(b)* performance of the Royal Mail letter service for (i) first and (ii) second class mail in each of the last 12 months in the Stoke-on-Trent postal area. [82145]

Mr. Ian McCartney: Responsibility for mail delivery performance rests with Post Office management from whom I understand that Royal Mail's delivery performance for first and second class mail for the Stoke-on-Trent postcode over the last four quarters has been as follows:

	First class (percentage)	*Second class (percentage)*
Target	94.0	96.9
Actual:		
June 1998	92.3	98.4
September 1998	92.4	98.8
December 1998	92.5	99.8
March 1999	90.0	97.7

These figures relate to the percentages of first class mail delivered the next working day after posting and of second class mail delivered within three working days of posting.

Product Liability

Mrs. Roe: To ask the Secretary of State for Trade and Industry, pursuant to his answer of 24 March 1999, *Official Report*, column *270*, on product liability, what plans he has to collate and publish details of cases concerning product safety; and if he will make a statement. [81681]

Dr. Howells: Records of cases kept by the courts do not provide sufficient information to enable a search to be made by reference to the particular legislation under which the actions have been brought. However, when product liability cases brought under Part I of the Consumer Protection Act 1987 raise significant points of law, judgments given in them would be reported in published law reports, and these are monitored by the Department. The Secretary of State made a report to Parliament under section 42 of the 1987 Act on action taken under Part II of the Act (product safety) on 25 November 1998 (ISBN O 10 252299 5).

Auditors

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will require those licensed to act as

auditors under the Companies Act 1989 to publish information about their affairs and the impact of their actions on stakeholders. [82007]

Dr. Howells: The Government have no plans to do so. Requiring registered auditors to publish information about their affairs would need primary legislation. The five bodies recognised to register and supervise auditors already submit reports to my Department every six months, covering the monitoring, inspection, supervision and disciplining of company auditors. Their annual reports, which are published by the bodies, are placed in the Library of the House.

Heritage plc

Mr. Mitchell: To ask the Secretary of State for Trade and Industry what investigations he had conducted into the receivership of Heritage plc. [82143]

Dr. Howells: My Department has made no investigations into the receivership of Heritage plc but officials are in touch with the Institute of Chartered Accountants in England and Wales concerning a complaint made to the Institute about the conduct of the administrative receivers.

Accountants

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will introduce legislation to prevent accountants acting as reporting accountants from acting as receivers. [82142]

Dr. Howells: This issue has been referred to the joint DTI/Treasury review of corporate rescue procedures. Their final report is expected by the end of 1999 and we will give careful consideration to their recommendations.

Consumer Credit

Mr. Love: To ask the Secretary of State for Trade and Industry what proportion of holders of current consumer credit licences are also authorised under the Financial Services Act 1986. [81596]

Dr. Howells *[holding answer 20 April 1999]:* This information is not available in the form requested and to collate such information would involve disproportionate cost.

Mr. Love: To ask the Secretary of State for Trade and Industry how many consumer credit licences have been revoked by the Office of Fair Trading, and for what reasons, in *(a)* 1997, *(b)* 1998 and *(c)* 1999 to date. [81595]

Dr. Howells *[holding answer 20 April 1999]:* The Director General of Fair Trading revoked 35 licences in 1997 and 17 licences in 1998. 10 licences were revoked during the period 1 January to 19 April 1999.

Generally, a licence is revoked as a result of complaints and/or criminal convictions against the licensee which show that the licensee is no longer a fit person to engage in the activities covered by the licence. The exact reasons for the revocation of a particular licence are placed on the public register which the Director General has a duty to maintain under section 35 of the Consumer Credit Act. This information is available to the general public from:

The Office of Fair Trading
Consumer Credit Licensing Bureau
Craven House
40 Uxbridge Road
Ealing
London W5 2BS
Telephone: 0171 269 8608/8616.

Mr. Love: To ask the Secretary of State for Trade and Industry how many staff were employed by the Office of Fair Trading to carry out its consumer credit, licensing and related regulatory functions during *(a)* 1997–98, *(b)* 1998–99 and *(c)* 1999–2000. [81592]

Dr. Howells *[holding answer 20 April 1999]:* The number of staff units employed by the Office of Fair Trading to carry out these functions were as follows:

Period	*Number of staff units*
1997–98	85.6
1998–99	83.2
1999–2000	89.2

Mr. Love: To ask the Secretary of State for Trade and Industry what requirements have to be met to obtain a consumer credit licence from the Office of Fair Trading. [81594]

Dr. Howells *[holding answer 20 April 1999]:* The Director General of Fair Trading has to be satisfied that an applicant is fit to engage in all the business activities covered by a licence and that the applicant's name is not misleading or undesirable. In considering whether or not an applicant is a fit person he will have regard to evidence tending to show that an applicant has:

(a) committed any offence involving fraud or other dishonesty, or violence;

(b) contravened any provision made by or under the Consumer Credit Act 1974, or by or under any other enactment regulating the provision of credit or other transactions with individuals;

(c) practised discrimination on grounds of sex, colour, race or ethnic or national origins in, or in connection with, the carrying on of any business; or

(d) engaged in business practices appearing to the Director General to be deceitful or oppressive, or otherwise unfair or improper (whether unlawful or not).

These criteria are set out in full in section 25 of the Consumer Credit Act.

Mr. Love: To ask the Secretary of State for Trade and Industry how many current consumer credit licensees are operating *(a)* in the consumer credit market, *(b)* in the secured credit market for loans of up to £25,000 and *(c)* in the secured credit market for loans above £25,000. [81593]

Dr. Howells *[holding answer 20 April 1999]:* The Director General of Fair Trading collects information to help him assess the fitness of licence holders but does not collate information about their business activity. To collate such information would require disproportionate cost.

Mr. Love: To ask the Secretary of State for Trade and Industry how many consumer credit licences issued by the Office of Fair Trading under the Consumer Credit Act 1974 are still current. [81598]

Dr. Howells *[holding answer 20 April 1999]:* There were 261,075 current licences on 1 April 1999.

Mr. Love: To ask the Secretary of State for Trade and Industry what monitoring the Office of Fair Trading and trading standards officers undertake of individuals granted consumer credit licences under the Consumer Credit Act 1974. [81597]

Dr. Howells *[holding answer 20 April 1999]:* The Office of Fair Trading generally relies upon local authority trading standards services to monitor licensees. Consumers who have problems with licence holders can complain to their local trading standards services, and details of these complaints are passed to the Office of Fair Trading. Trading standards services also have powers under the Consumer Credit Act 1974 that allow them to enter premises, inspect documents, and to make test purchases. They also prosecute offences under the Act.

The Office of Fair Trading maintains a register of convictions that result from action by trading standards services. The register is used in both assessing the fitness of applicants for licences and monitoring the continuing fitness of licensees.

Export Licences

Dr. Ladyman: To ask the Secretary of State for Trade and Industry if he will list those countries for which an export licence for goods with a possible military application is not permitted. [82438]

Dr. Howells: All applications for an individual licence to export arms and other goods entered in Part III of Schedule 1 to the Export of Goods (Control) Order 1994 (the so-called Military List) are assessed on a case by case basis using the criteria announced by my right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs on 28 July 1997, *Official Report*, columns *26–29*, and the EU Code of Conduct on Arms Exports. Both sets of criteria are also used to assess applications for a licence to export dual-use goods where there are grounds for believing that the end-user would be the armed forces or internal security forces of the recipient country.

As noted in the answer given to my hon. Friend the Member for Rugby and Kenilworth (Mr. King) by the Minister of State, Foreign and Commonwealth Office, my hon. Friend the Member for Manchester, Central (Mr. Lloyd), on 28 January 1998, *Official Report*, columns *273–74*, a list of all UK policy commitments, including embargoes, has been placed in the Library of the House and an updated version will be laid annually (or more frequently if policy changes require a revision).

Consultations (Postal Costs)

Mr. Keetch: To ask the Secretary of State for Trade and Industry if he will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if he will make a statement. [80918]

Dr. Howells: We will consider paying these costs where circumstances merit.

Telecommunications Council

Mr. Hood: To ask the Secretary of State for Trade and Industry what was the outcome of the Telecommunications Council held in Luxembourg on 22 April; and if he will make a statement. [82396]

Mr. Wills: I represented the UK at the Telecommunications Council on 22 April. The Council reached political agreement on a common position in respect of a Directive on a Common Framework for Electronic Signatures. A Council Resolution on the Year 2000 Computer Problem was agreed in principle.

The Council also held a debate on the state of the EU telecommunications market. The Commission presented a Communication on the results of public consultation on the Green Paper on the Convergence of Telecommunications, Media and Information Technology Sectors, on which Council Conclusions were agreed in principle. The Commission also presented its Green Paper on Access to Public Sector Information, and provided an oral update regarding developments on Globalisation and the Information Society, Internet Domain Names, and on the public consultation on the Commission Green Paper on Radio Spectrum Policy.

Miners (Compensation)

Mr. Healey: To ask the Secretary of State for Trade and Industry how much in total he estimates his Department will pay in compensation as result of miners' *(a)* vibration white finger injuries and *(b)* chronic bronchitis and emphysema diseases. [82530]

Mr. Battle: The gross level of provision for the British Coal health liabilities assumed by the Department is:

	£ million
1999–2000	228.2
2000–01	490.3
2001–02	507.5

Due to a number of uncertainties—not least the number of claims likely to be received and the actual levels of compensation payable in individual cases—it is not possible to say how much will be required to meet the specific cost of miners' health claims for vibration white finger, and chronic bronchitis and emphysema.

The Government have however made it clear that they will provide the funds necessary to meet the cost of legitimate claims.

Right-hand Drive Vehicles

Mr. Fearn: To ask the Secretary of State for Trade and Industry what powers he has to prevent car manufacturers from refusing to supply right-hand drive vehicles to continental dealers for sale to United Kingdom customers. [81223]

Mr. Byers: EC competition law provides that manufacturers must not restrict the freedom of their dealers to supply right-hand drive motor vehicles to UK customers.

Enforcement of these provisions is a matter for the European Commission. The seriousness with which the Commission views breaches of EC law was

demonstrated by its decision to fine Volkswagen £67 million in January 1998 for prohibiting its dealers in Italy from selling cars to foreign buyers.

Forest Products (Trade Liberalisation)

Mr. Dafis: To ask the Secretary of State for Trade and Industry what the United Kingdom's policy is on the proposal from the US and other Governments to negotiate a forest products sectoral trade liberalisation agreement before the 1999 WTO ministerial conference in Seattle. [82262]

Mr. Wilson: The possibility of a sectoral liberalisation agreement reducing tariffs on forest products and other limited sectors is being proposed by the US and other members of APEC for agreement at the WTO Ministerial Conference in Seattle. The primary objective of the Conference is to launch a new comprehensive round of trade negotiations, including industrial tariffs, agriculture, services and technical standards and a range of other issues. The UK's priority issues were set out in my previous answer to the hon. Member for Hazel Grove (Mr. Stunell) of 21 January 1999, *Official Report*, column *548*. The UK and the EU are concerned not to lose momentum for launching the wider negotiations at Seattle by focusing only on limited sectors. We do not rule out early agreements on tariffs including the forest product sector during the course of the new round as part of a comprehensive package of negotiations.

Professional Statisticians

Mr. Menzies Campbell: To ask the Secretary of State for Trade and Industry how many staff who have worked as professional statisticians in his Department have left on early retirement in each of the past 10 years. [81179]

Mr. Byers: Three "professional" Statisticians have left the Department on early retirement, including retirement on medical grounds, in the last ten years.

Milk Marque

Mr. Swayne: To ask the Secretary of State for Trade and Industry what considerations are delaying publication of the MMC report on Milk Marque. [82273]

Dr. Howells *[holding answer 27 April 1999]:* My right hon. Friend the Secretary of State for Trade and Industry will publish the report as soon as is practicable.

The Department of Trade and Industry has provided information about the publication arrangements for monopoly reports at paragraphs 8.1–8.3 of its publication "Guidance on DTI procedures for handling Monopoly references and reports", a copy of which is in the Library of the House.

AGRICULTURE, FISHERIES AND FOOD

Professional Statisticians

Mr. Menzies Campbell: To ask the Minister of Agriculture, Fisheries and Food how many staff who have worked as professional statisticians in his Department have left on early retirement in each of the past 10 years. [81178]

Mr. Morley: The number of professional statisticians who left on early retirement (including on medical grounds) from my Department in each of the past 10 years was as follows:

Year	*Number*
1989	0
1990	0
1991	0
1992	0
1993	1
1994	0
1995	2
1996	0
1997	0
1998	0

I have asked Chief Executives to reply separately.

Letter from Dr. J. M. Rutter to Mr. Menzies Campbell, dated 28 April 1999:

The Minister has asked me to reply to your question about how many staff who have worked as professional statisticians at the Veterinary Medicines Directorate have left on early retirement terms in each of the past 10 years. This is an operational matter for which I am responsible.

There were no such retirements for these staff in each of the past 10 years.

Letter from P. W. Greig-Smith to Mr. Menzies Campbell, dated 28 April 1999:

The Minister of Agriculture, Fisheries and Food has asked me to reply to your question on professional statisticians who have left on early retirement in each of the last ten years. I am replying on behalf of the Centre for Environment, Fisheries & Aquaculture Science (CEFAS), which, prior to April 1997, was the MAFF Directorate of Fisheries Research (DFR).

I can advise you that no professional statisticians have left DFR/CEFAS on early retirement during the period 1989 to 1998.

Letter from Johnston McNeill to Mr. Menzies Campbell, dated 28 April 1999:

As Chief Executive of the Meat Hygiene Service (MHS) your question to the Minister of Agriculture, Fisheries and Food requesting information on the number of staff who have worked as professional statisticians who have left on early retirement in each of the past ten years, has been passed to me to reply as regards this Executive Agency.

The MHS is responsible for enforcing meat hygiene, inspection, animal welfare and Bovine Spongiform Encephalopathy (BSE) legislation in licensed fresh meat premises in Great Britain. The majority of MHS staff are veterinary surgeons or Meat Hygiene Inspectors. The MHS does not have any professional statisticians in its employment.

Letter from T. W. A. Little to Mr. Menzies Campbell, dated 28 April 1999:

The Minister has asked me to respond to your question about staff who have worked as professional statisticians in MAFF and have left on early retirement in each of the past ten years.

No professional statisticians have worked at the VLA and took early retirement in the past ten years.

Letter from P. I. Stanley to Mr. Menzies Campbell, dated 28 April 1999:

The Minister of Agriculture, Fisheries and Food has asked me to reply, in respect of the Central Science Laboratory (CSL), to your questions concerning professional statisticians.

CSL was established as an Executive Agency of the Ministry of Agriculture, Fisheries and Food (MAFF) in April 1992. Since that time there have been no professional statisticians who have left the Agency on early retirement grounds.

CSL presently employs one member of staff as a professional statistician, graded at CSL Level 3 (SEO equivalent). This person has not been granted chartered statistician status by the Royal Statistical Society and has not been accepted as fast stream by the Civil Service Selection Board.

Letter from Sarah Nason to Mr. Menzies Campbell, dated 28 April 1999:

The Minister has asked me to respond, in respect of the Farming and Rural Conservation Agency (FRCA), to your question about the number of staff who have worked as professional statisticians in his Department who have left on early retirement in the past ten years.

FRCA was created as an Executive Agency on 1 April 1997: to date no professional statisticians have been employed by the Agency.

Letter from J. A. Bainton to Mr. Menzies Campbell, dated 28 April 1999:

The Minister of Agriculture, Fisheries and Food has asked me to reply, in respect of the Pesticides Safety Directorate (PSD), to your question concerning the employment of professional statisticians.

Since PSD was formed in 1993, no professional statisticians have been employed in the Agency.

Rats

Mr. Don Foster: To ask the Minister of Agriculture, Fisheries and Food what estimate his Department has made of the rat population of *(a)* the UK, *(b)* London, *(c)* Manchester, *(d)* Liverpool, *(e)* Newcastle, *(f)* Bristol and *(g)* Plymouth. [82460]

Mr. Morley: Data on the incidence of rodents in England were collected in the Department of the Environment, Transport and the Regions' 1996 English House Condition Survey on behalf of MAFF. The results should be published later this year. The sample size of the survey does not permit figures for individual local authorities to be produced.

Information for the other parts of the UK is the responsibility of the respective Secretaries of State.

Food Labelling

Mr. Paul Marsden: To ask the Minister of Agriculture, Fisheries and Food if he will require the labelling of food products to contain information on the age of each ingredient. [82002]

Mr. Rooker: Consumers need information on the minimum durability of food products, so that food can be consumed within its recommended period and while it retains its specific properties. This need is met by the legal requirement to provide 'use by' or 'best before' dates for most prepacked foods. Information on the varying ages of the individual ingredients would not enable consumers to use food within the appropriate timescale.

Food Standards Agency

Mr. Paice: To ask the Minister of Agriculture, Fisheries and Food how many existing MAFF staff will be transferred to the Food Standards Agency. [82272]

Mr. Rooker *[holding answer 27 April 1999]:* I refer the hon. Member to the reply given to the hon. Member for Maidenhead (Mrs. May) on 23 March 1999, *Official Report*, column *219*.

EU Fraud

Mr. Grieve: To ask the Minister of Agriculture, Fisheries and Food what *(a)* discussions he has had and *(b)* proposals his Department has put forward at Council of Ministers' meetings in respect of EU fraud; and if he will make a statement. [77777]

Mr. Rooker *[holding answer 19 March 1999]:* I refer the hon. Member to the reply given by my hon. Friend the Economic Secretary to the Treasury on 19 March 1999, *Official Report*, column *858*.

Genetically Modified Organisms

Mr. Matthew Taylor: To ask the Minister of Agriculture, Fisheries and Food how many times officials from his Department have met their opposite numbers in the US Government and US Embassy to discuss genetically modified organisms and the biotechnology industry since 1 June 1998; and if he will list for each meeting the dates and locations; and the US department whose officials they met. [81082]

Mr. Rooker: Ministers and officials in this Department are in regular contact with representatives of all those with an interest in biotechnology—including environmental groups, consumer groups and biotechnology companies. We are also following practice and trials in a number of countries overseas, including the United States.

Rabies

Mr. Flynn: To ask the Minister of Agriculture, Fisheries and Food if countries with land borders with countries outside the European Union will be eligible for the pet passport system recommended by Professor Kennedy if they comply with the Office International des Epizooties definition of being free from rabies. [81928]

Mr. Rooker *[holding answer 26 April 1999]:* The Kennedy Group recommended that pet cats and dogs resident in all EU and EEA countries should be eligible for alternative arrangements to quarantine, regardless of whether those countries had land borders with countries outside the European Union. In addition, the Government plan to include Switzerland, Andorra, Monaco, San Marino, and the Vatican in the new arrangements.

The Kennedy Group recommended that, in addition, islands elsewhere in the world meeting the OIE definition of being free from rabies should be included. Other countries which are rabies free but are not islands would not be included. The Government are following the approach of Professor Kennedy's Group here.

Mr. Flynn: To ask the Minister of Agriculture, Fisheries and Food if he will list the countries which will be contacted to confirm whether they can comply with the OIE definition of being free from rabies; and when he expects to publish the list of qualifying countries. [81929]

Mr. Rooker *[holding answer 26 April 1999]:* We have already written to the following islands which appear to meet the OIE definition of being rabies free to seek confirmation that this is the case:

Antigua and Barbuda
Australia
Bahrain
Barbados
Cape Verde
China (Taiwan)
Cook Islands
Falkland Islands
Fiji
French Polynesia
Japan
Jamaica
Malta
Mauritius
New Caledonia
New Zealand
Réunion
St. Kitts
St. Lucia
Seychelles
Singapore
Vanuatu.

The Government are accepting representations from other islands not on the list.

Pork and Bacon

Mrs. Brinton: To ask the Minister of Agriculture, Fisheries and Food what steps he has taken recently to urge consumers to purchase pork and bacon that has been reared to high welfare standards. [82443]

Mr. Rooker: In recent months we have encouraged consumers, retailers, caterers and public procurement bodies to take account of quality and welfare factors when purchasing pigmeat. This encouragement has taken place at industry events, seminars and meetings and in letters. We have also written to all MPs and UK MEPs urging them to support the pig industry in its efforts to meet consumer demands.

Abattoirs (Inspections)

Mr. Paice: To ask the Minister of Agriculture, Fisheries and Food, pursuant to the answer given to the hon. Member for South-East Cambridgeshire on 15 February 1999, *Official Report*, column *574*, what separate items have to be inspected by the EU Commission before the export ban can be lifted; if the abattoirs which apply then will require a second inspection; when he will invite the Commission to carry out the inspections already required; and what remaining issues need to be resolved before that invitation is issued. [72252]

Mr. Rooker *[holding answer 22 February 1999]:* The European Commission inspected our procedures for operating the Date-based Export Scheme (DBES) from 12 to 16 April. During their visit, the inspectors were given demonstrations of the practical operation of the DBES in three slaughterhouses—one in England, one Scotland and one in Northern Ireland. They also visited two farms, an incinerator, an Animal Health Divisional Office and the new Unit in Gloucester which will run the Scheme.

The Commission are now writing a report of their inspection for presentation to the Standing Veterinary Committee (SVC). After the SVC have seen the inspection report, the Commission should set a date from which exports of UK beef produced under the DBES can start.

There is no requirement for the individual abattoirs which decide to participate in the DBES to be inspected by the Commission. The approval of such abattoirs will be dealt with on a national basis.

Genetically Modified Crops

Mr. Maclean: To ask the Minister of Agriculture, Fisheries and Food what reports he has received on cross-pollination between genetically modified oil seed rape in field trials and the wild weed variety; and if he will make a statement on the latter's resistance to weedkiller. [81781]

Mr. Rooker: There is no evidence, from MAFF-funded research, of cross hybridisation between oilseed rape and weeds in field trials. However, the research is still at an early stage and it is not possible to exclude the possibility that hybrids may be found. There have been reports of herbicide-resistant wild turnip in oilseed rape fields in some part of the UK. It is likely that the wild turnip, a close relative of oilseed rape, is naturally resistant to the same herbicides as is unmodified oilseed rape.

Plant Variety and Seeds Office

Mr. Alan Simpson: To ask the Minister of Agriculture, Fisheries and Food if he will list the meetings which officials from the Plant Variety and Seeds Office have attended with officials from *(a)* EU member states, *(b)* the European Commission and *(c)* the World Trade Organisation since 1 January 1999; and if he will list such meetings planned up to 1 June 1999. [81880]

Mr. Rooker: The lists requested are set out.

Date	*Title of meeting*	*EU member states*	*European Commission*	*World Trade Organisation*
Meetings attended since 1 January 1999				
7 January 1999	EU group of seed experts	Yes	Yes	—
8 January 1999	EU Standing Committee on Seeds	Yes	Yes	—
14–15 January 1999	EU group of experts on the vegetable common catalogue	Yes	Yes	—
19 January 1999	EU group of experts on hybrids of cereals	Yes	Yes	—
19 January 1999	EU group of seeds experts	Yes	—	—
20 January 1999	EU Standing Committee on Seeds	Yes	Yes	—
9 February 1999	Community Plant Variety Office Fees Working Party	Yes	Yes	—

Date	Title of meeting	EU member states	European Commission	World Trade Organisation
10 February 1999	Meeting on testing of hybrids and parent lines for distinctness, uniformity and stability	Yes	—	—
15 February 1999	Joint Symposium by UPOV (International convention for the protection of new varieties of plants), WIPO (World Intellectual Property Organisation) and WTO (World Trade Organisation) on the protection of plant varieties under Article 27.3(b) of the TRIPS (Trade related aspects of international property rights) Agreement	Yes	—	Yes
18 February 1999	Community Plant Variety Office meeting on sugar beet variety testing	Yes	Yes	—
4 March 1999	EU group of experts on variety denominations	Yes	Yes	—
22–25 March 1999	UPOV Technical Committee	Yes	Yes	—
25 March 1999	Bi-lateral meeting with Commission	—	Yes	—
25 March 1999	UPOV Administrative and Legal Committee	Yes	—	—
26 March 1999	UPOV Council	Yes	—	—
26 March 1999	UPOV Consultative Committee	Yes	—	—
6 April 1999	Community Plant Variety Office Fees Working Party	Yes	Yes	—
7–8 April 1999	Community Plant Variety Office Administrative Council	Yes	Yes	—
8 April 1999	EU ad hoc group on vegetable seed marketing	Yes	—	—
12–13 April 1999	EU agricultural common catalogue	Yes	Yes	—
23 April 1999	EU Standing Committee on Seeds	Yes	Yes	—
Meetings planned up to 1 June 1999				
29–30 April 1999	EU comparative trial on oilseed rape	Yes	Yes	—
3–4 May 1999	EU Seed Certification Agencies Association	Yes	Yes	—
10–11 May 1999	UPOV editorial sub-group meeting	Yes	—	—
14 May 1999	EU comparative trial on electrophoresis	Yes	Yes	—
28 May 1999	EU Standing Committee on Seeds	Yes	Yes	—
18–21 May 1999	OECD seeds meetings	Yes	Yes	—

Departmental Legal Business

Mr. Dismore: To ask the Minister of Agriculture, Fisheries and Food if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81759]

Mr. Rooker: The Ministry of Agriculture, Fisheries and Food predominantly uses junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

In civil cases, the two First Treasury Counsel are both junior counsel and they will advise and represent the government without a Queen's Counsel in many of its important cases. In addition, the Attorney-General maintains four panels of junior Counsel who departments are expected to use for the majority of the government's civil litigation. The Attorney-General or Solicitor-General's approval is required before a Queen's Counsel can be instructed to appear in civil litigation.

A panel of Counsel, maintained by the Attorney-General, exists to provide advice in more significant criminal case work. His consent is sought to the nomination of such Counsel.

In determining the level of counsel to use, the department will consider the individual circumstances of each case. It will take into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

The number of occasions on which the Ministry instructed Queen's Counsel in the last three years, and the cost of doing so, cannot be given without incurring disproportionate cost.

Written Answers to Questions

Thursday 29 April 1999

CULTURE, MEDIA AND SPORT

Historic Military Equipment

Mr. Norman: To ask the Secretary of State for Culture, Media and Sport if he issued a heritage export licence for a Panzer iv/70 (V) main battle tank during 1998. [82194]

Mr. Alan Howarth: The information given on applications for heritage export licences is commercially sensitive and is given in confidence. The Government cannot, therefore, reveal details about objects which are the subject of applications. We are advised that it would also be an unwarranted invasion of privacy contrary to Article 8 of the European Convention on Human Rights.

Mr. Norman: To ask the Secretary of State for Culture, Media and Sport what *(a)* regulations and *(b)* guidelines he has issued relating to the export of military equipment which is over 50 years old. [82172]

Mr. Alan Howarth: An individual export licence is required on heritage grounds from my Department for firearms between 50 and 100 years old if valued at or above £39,600. All other arms and armour over 50 years of age and firearms more than 100 years old require an individual export licence on heritage grounds if valued at or above £20,000. In addition, the export of any goods covered by Part III of Schedule 1 to the Export of Goods (Control) Order 1994, the so called military list, requires an export licence from the Department of Trade and Industry regardless of monetary value or age.

The booklet, "Export Licensing for Culture Goods: Procedures and Guidance for Exporters of Works of Art and other Cultural Goods", which is issued by my Department, sets out the export licensing requirements on heritage grounds.

Advance Corporation Tax

Mr. Spring: To ask the Secretary of State for Culture, Media and Sport what is his assessment of the effect of recent changes to advance corporation tax on the tourism industry. [81803]

Janet Anderson *[holding answer 28 April 1999]:* We have made no specific assessment of the effect on the tourism industry of the recent changes to advance corporation tax.

The abolition of advance corporation tax from 6 April 1999, together with other recent changes in corporation tax, is aimed at stimulating greater high-quality long-term investment and will increase the attraction of the UK as a location for international companies. The removal of advance corporation tax, which gives all small to medium companies that pay dividends a significant cash-flow advantage, should benefit some of the many small firms which make up the tourism industry.

As we outlined in our recent strategy, "Tomorrow's Tourism", we are committed to creating the right economic climate for enterprise and investment for the whole of the UK economy as well as the tourism industry; these corporation tax changes contribute to our central economic objective of promoting economic stability as a platform for long-term sustainable growth.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Standard Spending Assessments

Mrs. Anne Campbell: To ask the Secretary of State for the Environment, Transport and the Regions if he will list for shire counties *(a)* the education service-block Standard Spending Assessment for each county, divided by the total number of full-time-equivalent pupils financed by that county, *(b)* the primary education service-sub-block Standard Spending Assessment for each county, divided by the number of primary pupils financed by that county and *(c)* the secondary education service-sub-block Standard Spending Assessment for each county, divided by the number of secondary pupils financed by that county. [82206]

Ms Armstrong: Data are not collected on the total number of full-time-equivalent pupils financed by a county.

The calculations in the table for *(b)* and *(c)* have divided the Standard Spending Assessment by the estimated number of resident pupils (as defined in the Local Government Finance Report) for primary (aged 5 to 10) and secondary (aged 11 to 15) pupils respectively. Equivalent data for resident nursery (aged 3 to 4) pupils and resident pupils aged 16 and over do not exist; it is not therefore possible to provide data for *(a)*.

Local authority	*Primary education SSA (£ million)*	*Estimated number of resident pupils aged 5 to 10*	*Primary education SSA per primary pupil (£/pupil)*	*Secondary education SSA (£ million)*	*Estimated number of resident pupils aged 11 to 15*	*Secondary education SSA per secondary pupil (£/pupil)*
Bedfordshire	67.54	28,609	2,361	66.269	22,014	3,010
Buckinghamshire	79.231	33,522	2,364	80.276	27,230	2,948
Cambridgeshire	85.221	39,310	2,168	79.399	28,051	2,831
Cheshire	108.986	48,612	2,242	114.218	37,885	3,015
Cornwall	81.285	34,725	2,341	84.335	28,504	2,959
Cumbria	81.26	35,574	2,284	84.398	28,498	2,962
Derbyshire	118.175	53,463	2,210	116.069	41,188	2,818
Devon	105.727	46,262	2,285	103.297	36,721	2,813
Dorset	56.094	25,393	2,209	58.653	20,032	2,928
Durham	86.097	37,952	2,269	88.105	31,004	2,842

Local authority	Primary education SSA (£ million)	Estimated number of resident pupils aged 5 to 10	Primary education SSA per primary pupil (£/pupil)	Secondary education SSA (£ million)	Estimated number of resident pupils aged 11 to 15	Secondary education SSA per secondary pupil (£/pupil)
East Sussex	76.252	32,915	2,317	74.095	25,458	2,910
Essex	223.301	93,370	2,392	227.552	74,515	3,054
Gloucestershire	89.208	39,774	2,243	91.656	31,445	2,915
Hampshire	202.419	89,880	2,252	194.709	69,441	2,804
Hertfordshire	183.98	75,172	2,447	186.64	56,413	3,308
Kent	229.133	96,297	2,379	231.163	74,741	3,093
Lancashire	203.387	89,068	2,284	206.28	69,524	2,967
Leicestershire	95.562	43,889	2,177	96.748	35,418	2,732
Lincolnshire	103.346	44,221	2,337	109.077	36,855	2,960
Norfolk	120.664	53,529	2,254	123.768	41,909	2,953
North Yorkshire	89.617	39,644	2,261	96.293	31,433	3,063
Northamptonshire	110.605	48,655	2,273	105.949	36,187	2,928
Northumberland	51.326	21,876	2,346	55.515	18,662	2,975
Nottinghamshire	123.602	55,343	2,233	130.741	45,693	2,861
Oxfordshire	94.498	43,424	2,176	90.027	30,617	2,940
Shropshire	43.759	19,372	2,259	45.589	15,477	2,946
Somerset	78.454	35,036	2,239	75.464	26,687	2,828
Staffordshire	135.6	61,207	2,215	140.157	49,261	2,845
Suffolk	107.072	49,382	2,168	104.74	36,188	2,894
Surrey	155.874	64,443	2,419	148.714	46,471	3,200
Warwickshire	80.391	35,965	2,235	80.816	27,841	2,903
West Sussex	115.935	50,600	2,291	115.298	38,535	2,992
Wiltshire	68.885	30,630	2,249	66.067	23,759	2,781
Worcestershire	84.099	38,313	2,195	84.456	29,230	2,889

Mrs. Anne Campbell: To ask the Secretary of State for the Environment, Transport and the Regions if he will list for each shire county *(a)* the difference between the education department budget and that county's education service-block SSA in 1998–99 and *(b)* that sum, divided by the total number of full-time-equivalent pupils financed by that education department. [82171]

Ms Armstrong: Shire counties have reported budget education net revenue expenditure and their education SSA for 1998–99, as given in the table.

Education expenditure and provision

£000

Shire county	NRE (a)	SSA (b)	Difference (a–b)
Bedfordshire	154,077	154,036	41
Buckinghamshire	182,797	183,782	–985
Cambridgeshire	190,958	180,211	10,747
Cheshire	274,626	250,889	23,737
Cornwall	178,855	179,351	–496
Cumbria	196,334	186,095	10,239
Derbyshire	266,164	257,615	8,549
Devon	229,377	228,712	665
Dorset	139,140	126,485	12,655
Durham	205,287	194,502	10,785
East Sussex	165,774	164,718	1,056
Essex	501,848	496,599	5,249
Gloucestershire	199,057	202,724	–3,667
Hampshire	432,726	423,339	9,387
Hertfordshire	427,611	424,210	3,401
Kent	522,092	525,604	–3,512
Lancashire	464,394	444,776	19,618
Leicestershire	225,478	215,261	10,217
Lincolnshire	241,871	236,174	5,697
Norfolk	281,017	270,064	10,953
North Yorkshire	219,622	206,729	12,893
Northamptonshire	240,613	243,723	–3,110
Northumberland	122,689	123,315	–626
Nottinghamshire	298,863	280,512	18,351
Oxfordshire	201,628	207,934	–6,306
Shropshire	100,173	95,364	4,809
Somerset	175,236	165,321	9,915
Staffordshire	309,868	305,803	4,065
Suffolk	244,393	237,019	7,374
Surrey	335,735	338,400	–2,665
Warwickshire	188,986	178,047	10,939
West Sussex	266,085	254,555	11,530
Wiltshire	151,883	149,445	2,438
Worcestershire	187,820	187,843	–23

Data are not collected on the total number of full-time-equivalent pupils financed by a county. Education Net Revenue Expenditure covers a wider range of activities than school expenditure, so it would not be appropriate to present this information on a per pupil basis.

Street Lighting

Mr. Edward Davey: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to introduce competition into the market for street lighting connections; and what estimate he has made of the potential savings for local authorities from such competition. [82140]

Ms Glenda Jackson: This is a matter for the Director General of Electricity Supply. I understand that he has already conducted a consultation on this and related issues and is in the process of examining the options arising from that consultation.

Planning Application (New Mills)

Mr. Clifton-Brown: To ask the Secretary of State for the Environment, Transport and the Regions on what grounds the Government Office for the South West issued an article 14 direction to the Stroud District Council in

relation to the planning application (No. 98/1386) by Renishaw plc at New Mills, Wootton under Edge, Gloucestershire; and if he will reach his decision by 1 May. [82453]

Mr. Caborn: An Article 14 Direction was issued in order to give the Secretary of State for the Environment, Transport and the Regions more time to consider the application by Renishaw, which was referred to him by Stroud District Council. He will reach a decision as quickly as soon as possible but is unable to give an undertaking that this will be done before 1 May.

Pesticides

Mrs. Ellman: To ask the Secretary of State for the Environment, Transport and the Regions what progress has been made by the inter-departmental group reviewing the Government's existing arrangements for monitoring pesticide-related ill health. [82857]

Mr. Meale: The Review has been completed and a copy of the group's final report has been placed in both Libraries of the House.

Railways

Mr. Jenkin: To ask the Secretary of State for the Environment, Transport and the Regions if he will publish a consultation document on his plans for changes in the arrangements for the application of public subsidy to the railways. [82629]

Dr. Reid: I refer the hon. Member to my answer on 20 April 1999, *Official Report*, column *479*.

Rail Punctuality

Mr. Nigel Jones: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to amend the compensation arrangements for season ticket holders, with particular reference to the moving average punctuality statistics, when the rail company charters are next reviewed. [81513]

Ms Glenda Jackson: Changes to the compensation arrangements linked to average punctuality would be a matter for negotiation between Opraf and the train operating companies. Opraf's remit is to ensure that the standards set out in the Passenger's Charters are being met. Opraf cannot unilaterally require improvements. The moving annual average is still seen as a reasonably fair way of compensating season ticket holders for poor performance and there are no current plans to change it.

Executive Agency Targets

Mr. Derek Twigg: To ask the Secretary of State for the Environment, Transport and the Regions what targets he has set for (i) the Driving Standards Agency, (ii) the Driver and Vehicle Licensing Agency, (iii) the Highways Agency, (iv) the Vehicle Certification Agency and (v) the Vehicle Inspectorate. [82894]

Mr. Prescott: The key targets have been set for the agencies. They are included in the agencies' business plans, which include management objectives, performance indicators and key tasks, where appropriate to the agencies' business. Copies of the business plans will be placed in the Library in due course.

The key targets for the Driving Standards Agency are to:

contribute to a reduction in the numbers killed or seriously injured in accidents involving drivers aged 17–21 compared with the average for 1992–1997, with no rise in casualties;

achieve the following customer service targets:

80 per cent. of all Test candidates will be satisfied with the overall level of service received from the Agency;

95 per cent. of candidates for the theory test obtain a booking at their preferred test centre within two weeks of their preferred date;

the national average practical test waiting time for car tests will not exceed six weeks;

appointments for car tests will be available within 10 weeks at 99 per cent. of permanent driving test centres;

keep 99.5 per cent. of theory test appointments;

99.5 per cent of practical test appointments are kept, where they are in place two days prior to the test appointment;

95 per cent. of all incoming calls to booking offices will access the handling system without receiving an engaged tone;

all calls will be answered by a human voice in no more than 20 seconds, after being routed by the call handling system;

achieve an average annual return on capital employed on statutory activities of six per cent. of net assets over the period 1 April 1997 to 31 march 2002; and

increase the weighted average of fees by no more than the RPI in each of the three years during the period 1 April 1997 to 1 April 2000 and by no more than the RPI minus one per cent. in each of the following two years.

The key targets for the Driver and Vehicle Licensing Agency are to:

make an overall efficiency gain of 2.6 per cent;

achieve a yield:cost ratio of 2.9 to 1 on enforcement (i.e. recoup £2.90 for every £1 spent);

achieve the following customer service standards;

98 per cent. of Driving Licences issued error-free;

98 per cent. of new Vehicle Registration Documents issued error-free;

97 per cent. of amended Vehicle Registration Documents issued error-free;

ensure the following document turn-round times:

95 per cent. of Ordinary driving licences within 10 days;

95 per cent. of Vocational and first Provisional licences within nine days;

95 per cent. of new Vehicle Registration Documents within 12 days;

95 per cent. of amended Vehicle Registration Documents within 13 days;

achieve a figure of 94 per cent. of all telephone inquiries being answered within 30 seconds;

achieve a figure of 96 per cent. of all written inquiries being answered within eight days.

The key targets for the Highways Agency are to:

ensure that the percentage of the trunk road network having a zero residual life at the end of the financial year 1999–2000, is less than the figure published in the 1998 report of the National Road Maintenance Condition Survey;

complete 1,750 lane kilometres of pavement renewal, including reconstruction, overlays, inlays, resurfacing and surface dressing;

develop jointly with DETR (C) indices of the condition of road pavements, suitable for publication by 31 March 2000;

ensure that major roadworks on existing roads are:

no more than 2.5 miles (4km) long;

at least six miles (9.6 km) apart, except in urban areas (defined as areas where the speed limit is 30 mph or less), emergencies and otherwise agreed with DETR (C);

complete 100 bridge maintenance schemes each costing over £200k;

ensure that there is no material disruption to the network as a result of the Millennium Bug by:

carrying out a risk assessment on all known Agency control systems, road side equipment and facilities by the end of June 1999; and

having Agency wide business continuity plans and contingency plans in place;

complete 100 road schemes costing between £100k and £3 million aimed at improving road safety, contributing to an efficient economy, improving conditions for pedestrians, cyclists and equestrians (together with reducing community severance). These schemes are also aimed at reducing the adverse impacts of motorways and trunk roads on the environment and facilitating integration with other forms of transport promoting choice and information for travellers;

contribute to the Government's target of reducing road casualties by one-third by the year 2000, ensuring that the average accident rates between 1996 and 1999 across the motorway and all purpose trunk road network do not exceed 20 personal injury accidents for every 100 million vehicle kilometres of travel;

progress the Traffic Control Centre Public-Private Partnership to the point of inviting best and final offers by 31 March 2000;

achieve 85 per cent of scheme milestones identified in Annex C of the Business Plan;

put property to economic use ensuring that:

the percentage of vacant residential properties at the end of the year does not exceed 18 per cent. of the residential portfolio; and

the percentage of vacant habitable properties empty for more than six months at the end of the year does not exceed three per cent. of the residential portfolio;

develop and introduce jointly with DETR (C) a revised set of efficiency targets and indicators by 31 March 2000;

publish a policy statement and action plan by 30 September 1999 on how the Agency will take forward the Government policy on Greening Government Operations;

attain Investors in People by 31 December 1999;

manage the Agency's resources (programme and running costs) within the agreed financial allocations ensuring that Agency expenditure is with the target ranges of 95–100 per cent. for the following:

actual programme expenditure as a percentage of voted programme;

actual running cost expenditure as a percentage of voted running costs;

meet all agreed key milestones for the successful introduction of resource accounting and budgeting as shown on page 28 of the business plan;

continue to improve value for money across the Agency's activities. This target is achieved by attaining eight out of nine of the performance indicators as set out on page 29 of the business plan;

fulfil the obligations of the Road Users Charter as specified in Annex E of the business plan;

ensure the service provided to the public by the Agency is in accordance with the six Whitehall Standards listed in Annex F of the business plan.

The key targets for the Vehicle Certification Agency are to:

achieve break-even or better on the commercial accounts whilst achieving at least a six per cent. rate of return on capital employed;

have at least 98 per cent. of approval certificates issued error-free;

have at least 98 per cent. of all invoices issued error-free;

audit at least 50 per cent. of VCA's approved-type approval and 100 per cent. of the management system certification procedures with all non-compliancies found having corrective action plans agreed within 30 working days at the most, with those plans being completed within the specified time;

ensure that the figure for debtor days is 70 or less;

invoice within one month after the completion of all Management System Certification assessment activities;

achieve-Investors in People accreditation by the end of the year;

outturn within the NRC limit.

The key targets for the Vehicle Inspectorate are to:

meet the quality and general effectiveness levels as specified in the Business Plan measures set for 1999–2000;

meet the requirements on levels and types of activity laid down in the Memorandum of Agreement on each Road Transport Enforcement Scheme as agreed with the Department of the Environment, Transport and Regions;

continue to improve customer focus across VI through the implementation of initiatives in line with Better Government and government direct policies;

break even while achieving an average six per cent. real rate of return on capital, over the period 1 April 1998 to 31 March 2003;

achieve an Aggregated Cost Efficiency index of plus one per cent;

improve staff awareness and satisfaction as measured through the annual survey and assessment against the Investors in People standard;

secure the long-term development of the organisation through implementation of the Information Systems Strategy and progression of the MOT Computerisation project.

Mr. Gardiner: To ask the Secretary of State for the Environment, Transport and the Regions what performance targets he has set the Queen Elizabeth II Conference Centre Executive Agency for 1999–2000. [82896]

Mr. Raynsford: The Agency's principal financial target for 1999–2000 is to achieve a minimum contribution to the Exchequer of £1,245,000.

Operational targets have been set to increase occupancy of the three key conference areas as follows: Churchill Auditorium to 222 days; Fleming Room to 240 days; Mountbatten Room to 200 days.

The Agency is also being required to achieve additional room hire revenue from banqueting of £175,000 and has the following key customer targets to meet:

An overall score for quality of staff of 80%.

An overall score for customer satisfaction of 78%.

An overall score for quality of venue of 75%.

The number of complaints received to be less than 2 per 100 events.

An average response time when answering complaints of less than four working days.

Housing Benefit

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions (1) what estimate he has made of the number of landlords in

(a) Pendle, *(b)* Burnley, *(c)* Blackburn, *(d)* Rossendale, *(e)* Darwen and *(f)* Hyndburn whose rents are met from housing benefit; [82321]

(2) for each year since 1990, how many landlords received rent for their properties from housing benefit. [82320]

Angela Eagle: I have been asked to reply.

The information is not available in the format requested. Such information as is available is in the table.

The total numbers of rent allowance cases in Pendle, Burnley, Blackburn, Rossendale, Darwen and Hyndburn (claims from tenants living in the private rented sector) in May 1998

Local authority	*Rent allowance cases (private landlords, excluding housing associations)*
Pendle	1,990
Burnley	2,670
Blackburn with Darwen	2,590
Rossendale	1,110
Hyndburn	2,100

Source:
Housing Benefit Management Information System

The total numbers of rent allowance cases (claims from tenants living in the private rented sector) since May 1990 in Great Britain

May	*Rent allowance recipients (private tenants, excluding housing associations)*
1990	not available
1991	not available
1992	952,000
1993	1,068,000
1994	1,125,000
1995	1,160,000
1996	1,155,000
1997	1,067,000
1998	971,000

Source:
Housing Benefit Management Information System

SCOTLAND

Education (Expenditure)

Mr. Wilshire: To ask the Secretary of State for Scotland how much central Government money was spent per capita in 1998 on helping schools meet special educational needs. [82212]

Mrs. Liddell *[holding answer 26 April 1999]:* In the financial year 1998–99, the Scottish Office provided £6.5 million directly to seven grant-aided special schools in Scotland, and £1.2 million to support training of local authority staff working in special needs. It is not possible to express this in capita terms. Expendture per pupil in local authority schools is the resposibility of each education authority. Local authority expenditure is supported by Aggregate External Finance. Such support is not specific to particular local authority services and it is for each authority to determine the allocation of all resources at its disposal.

Mr. Wilshire: To ask the Secretary of State for Scotland how much central Government money was spent per capita in 1998 on grants to *(a)* voluntary aided schools and *(b)* voluntary controlled schools. [82214]

Mrs. Liddell *[holding answer 26 April 1999]:* There are no such schools in Scotland.

Mr. Wilshire: To ask the Secretary of State for Scotland how much central Government money was spent per capita in 1998 on *(a)* primary schools, *(b)* secondary schools, *(c)* further education colleges and *(d)* universities. [82213]

Mrs. Liddell *[holding answer 26 April 1999]:* Direct expenditure by the Scottish Office on the education of school pupils is limited to grants made available to Jordanhill School, two self-governing schools, and certain residential special schools. Grants are also made available for pupils at certain independent schools under the Assisted Places Scheme. Comprehensive information on the division of these resources between the primary and secondary sectors is not available. Expenditure per pupil in education authority schools is the responsibility of each education authority. Local authority expenditure is supported by Aggregate External Finance. Such support is not specific to particular local authority services and it is for each authority to determine the allocation of all resources at its disposal.

The average central Government funding, in the form of grant to further education colleges in Scotland, per full-time equivalent student in financial year 1996–97 (the latest year for which final student data are available) was £3,418.

Information is not held in the format requested for university students. However, based on the allocation to higher education institutions, including universities, made by the Scottish Higher Education Funding Council in 1998–99, the main source of central Government funding, an estimate of spend per full-time equivalent student is £5,465. This does not include additional central Government money which individual institutions may access through a variety of programmes nor spending on the maintenance element of student support.

Pre-school Education

Mr. Wallace: To ask the Secretary of State for Scotland (1) what estimate he has made of the cost of increasing the grant for pre-school education to cover four year old pupils whose parents wish to defer entry to primary school; and if he will make a statement; [81745]

(2) if he will list those local education authorities which are funding the pre-school education of four year old children whose parents have deferred entry to primary school until after the child's fifth birthday. [81746]

Mrs. Liddell: We believe that decisions on whether a child should have their entry to school deferred should be taken locally in consultation with the education authority so that the maturity and preparedness for school of each child can be taken into account on an individual basis. Anecdotal evidence suggests that around 5% of children have their entry to primary school deferred each year. The cost of financing these places through the pre-school education grant would be around £3.5m each year.

We understand that all local authorities fund a number of children who have had their entry to primary school deferred.

As from 1 July 1999, this will be a matter for the Scottish Parliament.

NORTHERN IRELAND

Training Staff (Religious Affiliation)

Mr. Beggs: To ask the Secretary of State for Northern Ireland if she will provide a breakdown of the religious composition of *(a)* the training staff employed at each level and *(b)* the trainees at each Government training centre in Northern Ireland at the latest date for which figures are available. [82193]

Mr. Ingram: Responsibility for the subject in question has been delegated to the Training and Employment Agency under its chief executive, Mr. Ian Walters. I have asked him to arrange for a reply to be given.

Letter from Ian Walters to Mr. Ray Beggs, dated 28 April 1999:

The Secretary of State for Northern Ireland has asked me, as Chief Executive of the Training and Employment Agency, to reply to your question about the religious composition of staff and trainees at the Agency's Training Centres.

I have consulted colleagues in the Department of Finance and Personnel which, on behalf of the Northern Ireland Civil Service (NICS) and as required by the Fair Employment (Monitoring) Regulations (Northern Ireland) 1999, maintains monitoring information on the composition of the NICS. In carrying out this function the Department is required to protect the confidentiality of monitoring information held on individual members of staff and of groups where the community background of individuals could be deduced.

In addition, the Department seeks to ensure that the use it makes of such monitoring information is compatible with the actions or measures it might lawfully take to address any lack of fair participation revealed by monitoring. In practice this means that the NICS does not maintain monitoring information by grade for the staff employed in Training Centres, who constitute a single occupational group. The breakdown of the community background of these staff at 1 January 1999, the latest date for which information is available, is:

	Number	*Percentage*
Protestant	123	52.3
Roman Catholic	85	36.2
Not determined	27	11.5

The Training and Employment Agency also monitors participation in its programmes and services in line with its commitment to equality of opportunity and fair treatment.

The Agency's 10 Training Centres are responsible for managing approximately 2,700 places on the Agency's Jobskills programme out of a total number of 14,700 Jobskills trainees. There are approximately 120 other training providers delivering the Jobskills programme.

The community background of trainees in Training Centres, derived from monitoring, is as follows:

	Number	*Percentage*
Protestant	775	38
Roman Catholic	1,231	60
Not determined	37	2

I hope you find this information useful.

TRADE AND INDUSTRY

Companies House

Judy Mallaber: To ask the Secretary of State for Trade and Industry what targets he has set Companies House for 1999–2000. [83002]

Dr. Howells: I have set Companies House the following targets for the 1999–2000 year.

Operational Targets

To process 99% of statutory documents within 5 days of receipt at Companies House

To achieve, on average, a monthly compliance rate for accounts submitted of 95%

To ensure that a minimum of 98% of fiche provided to customers is error-free

To ensure that there is a minimum of 96% error-free work in current processing

To answer 90% of all incoming telephone calls within 20 seconds

Questions delegated to the Chief Executive

The Chief Executive to reply within 10 days to all letters from Members of Parliament delegated to him for reply

Complaints Handling

To clear up 95% of complaints within 10 days and

To clear up 85% of complaints within 5 days

Financial Targets

To maintain a unit cost reduction of 3% in real terms on document registration

To achieve, taking one year with another, a 6% average rate of return based on the operating surplus expressed as a percentage of average net assets

To pay bills due within 30 days, or other agreed credit terms, on receipt of goods or services or a valid invoice, whichever is later.

Telecommunications

Judy Mallaber: To ask the Secretary of State for Trade and Industry if he has received a report by the Director General of Telecommunications for 1998, as required under section 55 of the Telecommunications Act 1984. [83003]

Mr. Wills: Yes. The fifteenth Report by the Director General of Telecommunications is being published today. It covers the period 1 January to 31 December 1998. Copies of the Report have been laid before each House of Parliament.

Patent Office

Judy Mallaber: To ask the Secretary of State for Trade and Industry what targets he has set the Patent Office for 1999–2000. [83001]

Dr. Howells: I have set the Patent Office the following targets for 1999–2000.

Patents

To issue 14,500 patent search reports or combined search and examination reports on average within 3 months from the date of request, with 90 per cent. of those within 4 months from the date of request.

To grant 8,500 valid patents on average within 2 years from the date of filing of the request for substantive examination, with 90 per cent. of those within 3 years from the date of request.

Design

To register 7,700 designs on average within 5 months from the date of filing of the application, with 90 per cent. of those within 12 months.

To process 70,000 trade mark class applications with a target to register within 9 months 90 per cent. of those to which no substantive objections are raised or oppositions filed.

Finance

To pay 100 per cent. of bills within 30 days of receipt of goods or services or a valid invoice, whichever is the later.

Questions designated to the Chief Executive

The Chief Executive will reply within 10 working days to all letters from Members of Parliament delegated to her for reply.

Efficiency Target

To increase output in relation to current expenditure by an average of at least 2 per cent. per annum over the period 1998–99 to 2002–03.

Radiocommunications Agency

Judy Mallaber: To ask the Secretary of State for Trade and Industry what targets he has set his Department's Radiocommunications Agency for 1999–2000. [83000]

Mr. Wills: I have set the Radiocommunications Agency the following quality of service targets for 1999–2000 in respect of its licensing and enforcement activities, and correspondence. These are in addition to achieving an overall efficiency improvement of 2 per cent. over 1998–99.

Licensing Targets

Category A

Licences that involve no frequency assignment, site clearance or international co-ordination: 100 per cent. of applications and amendments to be processed and despatched within 5 working days.

Category B

Licences that involve frequency assignment but no site clearance or international co-ordination: 90 per cent. of applications and amendments to be processed and despatched within 15 working days; the remainder to be processed and despatched within 25 working days or an explanation of the delay provided to the applicant.

Category C

Licences that require frequency assignment and site clearance and/or international co-ordination: 90 per cent. of applications and amendments to be processed and despatched within 40 working days; the remainder to be processed and despatched within 60 working days or an explanation of the delay provided to the applicant.

Renewals

Renewals of all licences in category A to be processed and despatched within 5 working days; renewals of licences in categories B and C to be processed and despatched within 10 working days.

Enforcement

100 per cent. of safety of life services reports of interference to be investigated within 24 hours.

98 per cent. of business customers reports of interference to be investigated within 5 working days; the remainder within a further 5 days.

98 per cent. of domestic customers reports of interference to be investigated within 1 month; the remainder within a further month.

Correspondence

I also expect all correspondence from hon. Members delegated to the Chief Executive by Ministers or otherwise for reply, and all written complaints addressed to him about Agency services, to be answered within 10 working days of receipt; the Agency's inquiry point to respond to 95 per cent. of calls within 30 seconds; and 100 per cent. of valid invoices to be paid within 30 days of receipt (or as agreed with the supplier).

Minimum Wage

Mr. Mackinlay: To ask the Secretary of State for Trade and Industry what research his Department is undertaking on the extent to which employers are seeking to avoid their obligations under the minimum wage legislation. [81541]

Mr. Ian McCartney: The Inland Revenue are enforcing the national minimum wage policy, and will supply this Department with data on all matters relating to compliance on a regular basis. In addition, we have asked the independent Low Pay Commission to monitor and evaluate the introduction and impact of the national minimum wage overall.

North Sea Coal

Mr. Blizzard: To ask the Secretary of State for Trade and Industry (1) what assessment he has made of the potential for underground gasification of coal seams under the North Sea as a source of energy for the United Kingdom; [82441]

(2) what assessment he has made of the potential use of oil and gas platforms to exploit the underground gasification of coal under the North Sea. [82442]

Mr. Battle: My Department published on 22 April Energy Paper 67, which set out the Government's policy on cleaner coal technologies for research and development, technology transfer and export promotion. The Energy Paper includes a detailed account of the potential of underground coal gasification for the UK and the main technology targets for future work in this area. Our planned future R and D work will include studies on the exploitation of underground coal gasification offshore in the North Sea. Copies of Energy Paper 67 have been placed in the Libraries of the House.

Weights and Measures Laboratory

Judy Mallaber: To ask the Secretary of State for Trade and Industry what targets he has set his Department's National Weights and Measures Laboratory for 1999–2000. [82999]

Dr. Howells: I have set the National Weights and Measures Laboratory the following quality of service and efficiency targets for 1999–2000.

Financial Targets

To report a break even situation in the Income and Expenditure Account 1999–2000.

To meet the net vote target in 1999–2000.

Operational Targets

To complete 90 per cent. of European type approvals within 10 weeks.

To complete all European type approvals within an average of eight weeks.

To complete 95 per cent. of all calibration jobs (including preparation of certificates) within 18 working days of acceptance of the work.

To meet 70 per cent. of the milestones included in the work programme agreed between NMPSU and NWML.

Questions delegated to the Chief Executive

Chief Executive to reply within 10 working days to all letters from Members of Parliament delegated to him for reply.

Financial target. Restated from previous year.

To reduce the real cost of a programme hour by 4 per cent. over the period 1997–2000.

EDUCATION AND EMPLOYMENT

Mature Students

18. **Dr. Harris:** To ask the Secretary of State for Education and Employment what assessment he has made of the effect of the introduction of tuition fees on applications for higher education from mature students. [81533]

Mr. Mudie: The latest figures we have from the Higher Education Statistics Agency show that the introduction of tuition fees had no negative effect on the total number of mature entrants to higher education in 1998. These figures show that an increasing number of mature students opt to enter higher education via part-time courses.

Higher Education

19. **Ms Blears:** To ask the Secretary of State for Education and Employment what plans he has to increase access to higher education by young people from inner-city areas. [81534]

Mr. Mudie: We have enabled the funding council to allocate £30 million a year to promote wider participation by people from disadvantaged backgrounds, which will be allocated by postcode. We intend that Excellence in Cities—our action plan for inner city education—will drive up standards and raise pupils' aspirations, giving many more young people the opportunity to go on to higher education.

Mr. Sheerman: To ask the Secretary of State for Education and Employment when he will next meet the Committee of Vice-Chancellors and Principals to discuss the expansion targets for higher education. [81527]

Mr. Blunkett: I met with the Committee of Vice-Chancellors and Principals on 17 March. The expansion issues for higher education were discussed at that meeting. We have no immediate plans for further meetings.

School Admissions

20. **Mr. Stevenson:** To ask the Secretary of State for Education and Employment what steps have been taken to increase the ability of popular schools to admit those children who have applied for a place. [81535]

Ms Estelle Morris: It is for school admission authorities to fix admission limits for their schools. Where parental demand cannot be satisfied it is for the LEA or, in some cases the governing body, to consider whether to bring forward proposals to expand the school. In considering such proposals, the Secretary of State currently and, from 1 September 1999, the School Organisation Committee, will have regard, among other things, to parental preferences.

Cycling

21. **Mr. Lock:** To ask the Secretary of State for Education and Employment what assessment he has made of the adequacy of the provision of secure cycle storage facilities in schools and its effect on enabling children to cycle to school. [81536]

Mr. Charles Clarke: Survey information suggests that more children would cycle to school if there were better cycle storage facilities. We are considering ways of improving these facilities, and promoting safer routes and road safety training.

Funding

22. **Fiona Mactaggart:** To ask the Secretary of State for Education and Employment what funds in addition to the standard spending assessment allocation have been allocated to schools for 1999–2000. [81537]

Ms Estelle Morris: £1.7 billion has been allocated to benefit schools for 1999–2000 in addition to the Standard Spending Assessment allocation.

Departmental Spending

23. **Mr. St. Aubyn:** To ask the Secretary of State for Education and Employment if he will make a statement on the planned allocation of resources to central departmental spending for 1999–2000 and subsequent years. [81538]

Mr. Mudie: Details are set out in the Departmental Report which was published on 24 March 1999 and a copy of which has been placed in the Library.

Top-up Fees

24. **Jackie Ballard:** To ask the Secretary of State for Education and Employment what plans he has to allow universities to charge top-up fees. [81539]

Mr. Mudie: We have consistently said that top-up fees play no part in the Government's policy on higher education. To that end my right hon. Friend has imposed a condition on grant to the Funding Council to control such fees. Any institution charging top-up fees to students who have been assessed as eligible for fee support could incur financial penalties.

Resource Allocation

25. **Mr. Gordon Prentice:** To ask the Secretary of State for Education and Employment what steps he is taking to ensure that the additional resources allocated for education are spent on schools. [81540]

Ms Estelle Morris: My right hon. Friend the Secretary of State wrote in January to each English Local Education Authority to urge them to use all of the cash increase in the education SSA to support education services, especially the drive to raise school standards. We are monitoring the formal budget returns of authorities to see whether they have done this.

New Deal

26. **Mr. Vaz:** To ask the Secretary of State for Education and Employment if he will make a statement on the operation of the new deal in Leicester. [81542]

Mr. Andrew Smith: In the Leicestershire and Rutland Unit of Delivery the Employment Service are leading the delivery of the New Deal for long term unemployed adults and for lone parents. Fernly Business Services lead the delivery of the New Deal for young people and Pelcombe Training Ltd. is responsible for the pilot launched in November for those aged 25 and over. I am encouraged by some of the innovative approaches being developed and the efforts being made to engage a wide range of local organisations, particularly ethnic minority groups and employers.

Part-time Students

27. **Mr. Beard:** To ask the Secretary of State for Education and Employment what steps he is taking to support part-time students in higher education. [81543]

Mr. Mudie: From September this year tuition will be free for part-time students on benefits, and from September 2000 loans of at least £500 will be available to part-time students on low incomes. We have already made Access Funds available to part-time students, and the Higher Education Funding Council for England provides a 5 per cent. premium on funding to higher education institutions for each such student.

Early Years Education

28. **Mr. Bill O'Brien:** To ask the Secretary of State for Education and Employment what steps have been taken to support playgroups and pre-schools. [81544]

30. **Mr. Peter Bradley:** To ask the Secretary of State for Education and Employment what steps have been taken to safeguard the voluntary sector's involvement in early years services. [81546]

Ms Hodge: I refer my hon. Friends to the reply I gave earlier today to my hon. Friend the Member for South Swindon (Ms Drown), *Official Report*, column 474.

29. **Helen Jones:** To ask the Secretary of State for Education and Employment what progress is being made in improving standards in early years education; and if he will make a statement. [81545]

Ms Hodge: Standards in early education are monitored through inspections by Ofsted. Work is underway on reviewing the desirable learning outcomes; creating a new framework of qualifications for those who work with young children; and reviewing the regulation of early education and day care. This will all contribute to further improvements in quality. In addition, Government funding for the training of early years staff has been made available through the Standards Fund and TECS.

New Deal for Schools

31. **Ms Stuart:** To ask the Secretary of State for Education and Employment how many pupils he estimates will benefit from the new deal for schools. [81547]

Mr. Charles Clarke: Based on information supplied by Local Authorities in the third phase of the New Deal for Schools (NDS) programme, we calculate that 1.6 million pupils will benefit from the £340 million allocated recently for projects beginning in 1999–2000. Information on the number of pupils benefiting from the two previous New Deal for School rounds is not available, but we estimate that a further 1.6 million pupils have benefited from those rounds.

Teaching Standards

32. **Mr. Nicholas Winterton:** To ask the Secretary of State for Education and Employment what steps he is taking to improve professional standards in the teaching profession. [81548]

Ms Estelle Morris: We have already acted to establish new standards for Qualified Teacher Status, and for those completing their initial training after 7 May 1999, we are introducing an induction year. Newly qualified teachers will have to meet new Induction Standards. National training programmes are already on offer based on headship standards.

Our Green Paper, "Teachers: meeting the challenge of change", published in December, set out major proposals to improve and strengthen the teaching profession. It makes important proposals to strengthen the teachers' pay structure, teacher appraisal and career and professional development, all of which will improve professional standards. Consultation has made clear that teachers and their professional bodies, initial teacher training providers, and other education bodies are keen to improve professional standards. The Government are now considering how to carry forward the proposals to create a modern and effective teaching profession for the benefit of all our children.

Non-teaching Assistants

33. **Mr. Best:** To ask the Secretary of State for Education and Employment if he will make a statement on progress made in providing funding for additional non-teaching assistants in schools. [81549]

Ms Estelle Morris: As part of the Government's proposal to increase the number of teaching assistants by 20,000 full-time posts (or equivalent) by 2002, we have allocated £22.15 million in 1999–2000 for the Additional Literacy Support programme in primary schools. This will support the deployment of about 2,000 full-time equivalent classroom assistants nationally. In the years 2000–02, funding for the recruitment and training of a further 18,000 full time equivalent assistants will be made available.

Learning Mentors

34. **Dr. Naysmith:** To ask the Secretary of State for Education and Employment what criteria will apply to obtaining access to a learning mentor. [81550]

Ms Estelle Morris: From September 1999, each secondary school pupil in the designated areas will have access to Learning Mentors, based in schools. Learning Mentors will be available to all who need them and will devote the majority of their time to individuals needing extra support in order to realise their full potential.

We will be agreeing the detailed arrangements for deploying mentors with the relevant local education authorities in partnership with their schools.

Careers Service

35. **Mr. Caton:** To ask the Secretary of State for Education and Employment if he will make a statement on the future structure and objectives of the careers service. [81551]

Mr. Mudie: My right hon. Friend the Secretary of State for Education and Employment announced his intention, on 10 March 1999, to publish proposals this summer concerning new local and national arrangements to develop lifelong learning and skills. The Secretary of State will consider, as part of this review, the future structure of the Careers Service in England. The Secretary of State's objectives for the Careers Service are set out in the "Careers Service Planning Guidance", a copy of which is lodged in the Library.

Community Education

36. **Ms Keeble:** To ask the Secretary of State for Education and Employment what steps he is taking to encourage schools to support community education. [81552]

Ms Estelle Morris: The Department is undertaking a range of initiatives to encourage school—community links—including guidance to be published later this year. The Schools Plus Policy Action Team will report in December on how best to use schools as a focus for community services.

Class Sizes

37. **Mr. Amess:** To ask the Secretary of State for Education and Employment what recent representations he has received on the implementation of the Government's policy to reduce class sizes. [81553]

Ms Estelle Morris: We have received a number of representations in various pieces of recent correspondence about the implementation of our policy to reduce infant class sizes.

Disability Rights Commission

Valerie Davey: To ask the Secretary of State for Education and Employment what steps he is taking to appoint the Chair and Chief Executive of the proposed Disability Rights Commission. [83054]

Ms Hodge: The Disability Rights Commission Bill has received its Second Reading in the Commons, thereby indicating Parliamentary support for the principle of the Bill. My right hon. Friend, the Secretary of State for Education and Employment, has informed the Department that they may start the recruitment for a Chair and Chief Executive for the proposed Disability Rights Commission. The successful candidates will not be formally appointed to these positions until after the Bill has received Royal Assent.

Parliamentary approval to this new service will be sought in the Summer Supplementary Estimate for the Department for Education and Employment Vote (Class 1, Vote 1). Pending that approval, urgent expenditure estimated at £100,000 will be met by repayable advances from the Contingencies Fund.

This expenditure is required to meet the cost of recruiting the Chair and Chief Executive. The urgency arises from the need to have both the Chair and Chief Executive in place as soon as possible after Royal Assent to ensure that public funds are properly protected and to enable their full participation in the planning process to ensure rapid progress to the establishment of Disability Rights Commission in April 2000.

Tuition Fees

Mr. Swinney: To ask the Secretary of State for Education and Employment what is the current level of assessed parental income above which a student becomes eligible for (i) full and (ii) part payment of tuition fees; what plans he has to increase these threshold levels in line with inflation; what estimate he has made of the number of students who will become eligible for paying in full or in part their tuition fee if the threshold is not increased in line with inflation; and if he will make a statement. [82654]

Mr. Mudie: For the 1998–99 academic year, parents with a residual parental income of less than £16,945 after allowable deductions are not assessed as due to make any payment towards the £1,000 tuition fee contribution. Thereafter, the level of the payment they are asked to make rises in line with their residual income. Parents are assessed as due to make the full contribution if they have a residual income of just over £27,000. The threshold levels have been increased in line with inflation for the 1999–2000 academic year. We estimate that around 30 per cent. of students, where parental income is taken into account, will continue to make no contribution towards the cost of their tuition. A further third will pay less than the full contribution.

National Grid for Learning

Mr. David Taylor: To ask the Secretary of State for Education and Employment what proportion of state schools he estimates are connected to the National Grid for Learning; and what proportion of teachers in state schools he estimates are, thereby able to use their own e-mail addresses. [81476]

Mr. Charles Clarke: The Department published last year the results of a survey of ICT provision in schools. Subsequent annual surveys will indicate the growth in number of schools with such connections, although the latest estimates of the number of primary, secondary and special schools in England with some form of internet

access are also given in the table. The Government are committed to ensuring that all schools are connected to the internet by 2002.

Percentage of schools connected

	DfEE survey March 1996	*DfEE survey March 1998*	*BECTa estimate February 1999*
Primary	5	17	30
Secondary	47	83	90
Special	8	31	45

It is for schools to decide whether they make use of services and systems supporting an individual e-mail address for each teacher in the light of their own needs and development plans. The Department will be collecting and publishing figures relating to teachers' and pupils' personal e-mail addresses in the next "Statistical Bulletin on Information Technology in Schools". We expect to publish this information in November 1999.

Physical Education Training

Mr. Spring: To ask the Secretary of State for Education and Employment what estimate he has made of the average number of hours spent on PE training during teacher training courses. [82083]

Ms Estelle Morris: It is the responsibility of initial teacher training (ITT) providers to decide what proportion of time should be spent on any particular subject in the courses they run. No information on the amount of time spent on PE, or any other subject, is held centrally and no estimates have been made by my right hon. Friend the Secretary of State.

Her Majesty's Chief Inspector of Schools did, at the request of the then Secretary of State, carry out a sample survey of 20 ITT providers between October 1996 and December 1997 to provide more information on the preparation of trainees for primary teaching, who were not PE specialists, to teach PE. He reported that on average postgraduate trainees had 23 hours of PE training and that undergraduates had 32 hours: which is a similar proportion of time to that allocated to other National Curriculum foundation subjects.

Higher Education (Cornwall)

Mr. Andrew George: To ask the Secretary of State for Education and Employment what assessment he has made of the opportunity for the future development of higher education in Cornwall and the Isles of Scilly. [81515]

Mr. Mudie: My right hon. Friend the Secretary of State recognises the potential contribution the development of higher education could make to Cornwall and the Isles of Scilly. We welcome the Combined Universities in Cornwall initiative to develop plans for taking this forward.

Special Advisers

Mr. Tyrie: To ask the Secretary of State for Education and Employment on how many occasions special advisers travelled abroad in an official capacity accompanied by Ministers; what was the average cost of each trip per head for the accompanying adviser; and what were the places visited. [82432]

Mr. Blunkett: Between 2 May 1997 and 31 March 1999, my Special Advisers have accompanied me and other Ministers on visits abroad in an official capacity within Europe or on European Presidency business on 12 occasions. All travel complied with the requirements of the Ministerial Code and the Civil Service Management Code. The average cost per head of civil servants, Ministers and advisers on such trips was £546.

Race Relations Employment Advisory Service

Mr. Green: To ask the Secretary of State for Education and Employment what plans he has for the future of his Department's Race Relations Advisory Service. [82330]

Ms Hodge: The Race Relations Employment Advisory Service will continue to play a key role in promoting to employers the benefits of race equality at work.

List 99

Mr. Gerrard: To ask the Secretary of State for Education and Employment if he will estimate the average time taken from beginning consideration of placing a teacher on List 99 to a decision being made. [82489]

Ms Estelle Morris: In the year 1 April 1998 to 31 March 1999, my Department concluded 448 misconduct cases. The average time taken to conclude those cases was nine months. In some of these cases the nature of the misconduct was not serious enough to consider placing the person on List 99. There can be enormous differences in the complexity of cases referred for consideration. Some straightforward cases are concluded very quickly while other, more difficult, cases take substantially longer.

Mr. Gerrard: To ask the Secretary of State for Education and Employment on how many cases decisions are currently outstanding as to whether a teacher should be placed on List 99. [82490]

Ms Estelle Morris: My Department's Teachers' Misconduct Team currently has 451 cases which have been referred for consideration. In 159 of these cases the individual has been informed that the Secretary of State is considering placing them on List 99. In the remaining 292 cases, my Department is collecting information before coming to a decision as to whether List 99 action should be considered.

New Deal (Hotline)

Mr. Healey: To ask the Secretary of State for Education and Employment, pursuant to his answer of 21 April 1999, *Official Report*, column *557*, if he will break down by region the calls received by the New Deal Hotline identifying *(a)* how many were from clients and how many from employers and *(b)* how many were (i) compliments and (ii) complaints. [82531]

Mr. Andrew Smith: The following table shows a breakdown, by Employment Service Regions, of the number of complaints received from employers and clients through the New Deal Hotline.

Breakdown of hotline calls: 5 January 1998–26 March 1999

Region	*Total number of calls received*	*Of which client complaints*	*Of which employer complaints*	*Of which other miscellaneous calls* [1]
London and South East	0	7	0	39
Northern	0	1	2	11
Scotland	0	10	0	148
Wales	0	4	1	13
South West	0	2	0	1
East Midlands and Eastern	0	4	3	144
West Midlands	0	8	1	51
North West	0	9	3	99
Yorkshire and the Humber	0	11	2	152
Total	0	56	12	658

[1] Other miscellaneous calls include compliments, general inquiries and wrong numbers

HOME DEPARTMENT

Parole

Mr. Beith: To ask the Secretary of State for the Home Department what was the average delay in processing parole dossiers at the first application stage for prisoners in England and Wales on the latest date for which figures are available; and if he will make a statement. [82448]

Mr. George Howarth: The parole timetable for determinate sentenced prisoners specifies that the review process should be complete, and the result notified to the prisoner, within 24 weeks of the scheduled start date for the review.

The table shows the percentage of first review cases meeting the target and the average delay in the cases that missed the target over the past four quarters.

	Percentage of first review cases meeting 24 week target	*Average delay in first review cases missing 24 week target*
April 1998-June 1998	45.1	5.9 weeks
July 1998-September 1998	57.9	6.3 weeks
October 1998-December 1998	64.8	5.8 weeks
January 1999-March 1999	74.6	6.3 weeks

Schengen Agreement

Mr. Bercow: To ask the Secretary of State for the Home Department if he will list those elements of the Schengen supplementary accords, copies of which his Department had not received at the time of the indication he made to the Justice and Home Affairs Council of an intent to apply to join elements of the Schengen system; and when he expects to receive them. [82295]

Kate Hoey: Since my right hon. Friend the Home Secretary announced in his reply to the right hon. Member for Penrith and The Border (Mr. Maclean), on 12 March 1999, *Official Report*, columns *380–82*, the areas of the Schengen acquis in which the United Kingdom intended to seek participation, we have received the following further items of the Schengen acquis:

Sch/Com-Ex (93) 21

Previously received in English with annex in French

Sch/Com-Ex (93) 23

Previously received in French only

Sch/Com-Ex (93) 24

Previously received in English with annex in French

Sch/Com-Ex (98) 13.

These have all been deposited with the House of Commons European Scrutiny Committee and with the House of Lords Select Committee on the European Communities.

We expect shortly to receive the remaining Decisions and Declarations of the Schengen Executive Committee adopted during 1998. In keeping with Government policy, these will be deposited with Parliament, provided they have not been classified as confidential by the Schengen states.

A number of decisions are expected to be adopted at the meeting of the Schengen Executive Committee on 28 April. We expect to receive these texts shortly after 28 April and these will also be deposited with Parliament, subject to the same caveat on confidentiality.

Parliamentary Ombudsman (Complaints)

Mr. Matthew Taylor: To ask the Secretary of State for the Home Department what assessment he has made of the advantages and disadvantages of requiring applicants who want to make complaints to the Parliamentary Ombudsman under the Code of Practice on Access to Government Information to ask an hon. Member to submit their complaints. [82263]

Mr. Straw: The White Paper, "Your Right to Know", included an assessment of the arrangements for complaints to the Parliamentary Ombudsman under the "Code of Practice on Access to Government Information" and concluded that successive Ombudsmen had proved effective in policing the Code. The White Paper also stated that, as part of our proposals for a Freedom of Information Act, the Government favoured a mechanism which is readily available and freely accessible. The draft Freedom of Information Bill, which I hope to publish shortly for consultation and pre-legislative scrutiny, is likely to propose a procedure which will allow a complainant to access the Information Commissioner directly, rather than through an hon. Member.

Ex-Offenders

Mr. Beith: To ask the Secretary of State for the Home Department what plans he has to improve employment opportunities for ex-offenders; and if he will make a statement. [82454]

Mr. George Howarth: Improving offenders' employability and access to the job market is a priority for the probation service for 1999–2000. Probation services are actively involved in the delivery of Welfare to Work programmes, and developing strategies for generating employment, training and education opportunities for offenders, with a particular emphasis on literacy and basic skills provision. Over £3.1 million was spent by probation services in 1997–1998 in partnership with the voluntary sector on the provision of employment, training and education services for offenders.

Much work has already been done and is continuing to be done to assist offenders in gaining the skills and qualifications necessary to help them in their search for work. Funding has also been made available to probation services under the Crime Reduction programme to develop screening and tutoring programmes to improve the basic skills of offenders. The projects will pilot and evaluate new approaches with the aim of putting the most successful approaches into practice across the country.

Police Allowances

Mr. Beith: To ask the Secretary of State for the Home Department what was the total expenditure on each allowance available to police officers, per police force and in total, in each of the last three years for which figures are available. [82456]

Mr. Boateng: The total expenditure on all allowances, per police force, for 1994–95 to 1996–97, is set out in the table. No analysis of individual allowances is made. Information for subsequent years is not available.

Police expenditure on allowances

£000

	1994–95	1995–96	1996–97
Avon and Somerset	10,224	8,315	7,869
Bedfordshire	3,803	3,682	3,575
Cambridgeshire	3,739	4,323	3,489
Cheshire	6,763	6,493	6,647
City of London	5,748	5,586	3,654
Cleveland	4,910	4,696	205
Cumbria	3,095	3,077	2,863
Derbyshire	8,689	8,438	8,164
Devon and Cornwall	12,473	12,257	11,175
Dorset	4,250	4,201	4,245
Durham	3,770	3,687	3,664
Dyfed Powys	2,413	2,281	2,277
Essex	not available	not available	12,225
Gloucestershire	4,275	4,211	4,037
Greater Manchester	22,078	20,722	19,730
Gwent	3,930	3,930	4,254
Hampshire	13,867	13,613	13,086
Hertfordshire	6,155	6,042	5,624
Humberside	7,957	7,833	7,408
Kent	12,670	12,353	11,805
Lancashire	8,308	8,010	7,656
Leicestershire	6,329	6,088	5,848
Lincolnshire	not available	4,170	3,752
Merseyside	15,791	15,107	14,026
Metropolitan Police	150,836	150,178	142,967
Norfolk	6,096	6,008	5,234
North Wales	3,893	3,716	3,909
North Yorkshire	3,825	3,688	3,683
Northamptonshire	4,616	4,236	4,221
Northumbria	9,367	8,771	8,128
Nottinghamshire	7,824	7,518	7,107
South Wales	12,915	13,016	10,698
South Yorkshire	9,741	9,677	9,207
Staffordshire	7,473	7,399	7,385
Suffolk	5,118	5,004	4,733
Surrey	5,359	6,061	5,064
Sussex	9,241	9,053	9,049
Thames Valley Police	15,807	15,367	15,029
Warwickshire	4,554	4,550	4,591
West Mercia	7,691	7,531	7,283
West Midlands	25,897	24,747	23,515
West Yorkshire	17,481	17,003	16,631
Wiltshire	5,051	5,028	5,043
Total	484,022	477,666	460,755

New Deal

Mr. Beith: To ask the Secretary of State for the Home Department how many offenders serving custodial sentences have taken part in the New Deal scheme through the Prison Service; how many offenders completed the scheme and obtained employment following participation in the scheme; and if he will make a statement. [82455]

Mr. George Howarth: Offenders are not eligible for the New Deal while serving custodial sentences, but they can take part in the Prison Service's Welfare to Work programme for 18–24 year olds running in selected prison establishments. This aims to improve their employability and help them gain the most from the New Deal Gateway, to which they have immediate access on release.

In the 12 months from April 1998, 2,430 inmates joined the Prison Service programme in the 11 establishments piloting it, and 1,625 had completed it by the end of that period. Early results from an evaluation of the programme indicate that within 6 months of leaving prison, 28 per cent. of those who complete the programme go on to join the New Deal Gateway, compared with 11 per cent. of a control group. A survey of probation officers also indicates that 42 per cent. of programme completers have some employment and 6 per cent. go into education or non-New Deal training within four months of release. These percentages are similar to the control group.

The programme is now continuing into its second year and the number of establishments has been increased to 13.

PRIME MINISTER

Civil Servants

Mr. Malcolm Bruce: To ask the Prime Minister if he will list the civil servants who worked in No. 10 Downing Street, broken down by department, on *(a)* 1 April 1998 and *(b)* 1 April 1999; and if he will make a statement. [80059]

The Prime Minister *[holding answer 15 April 1999]:* Civil servants working in No.10 Downing Street on the dates referred to were as follows:

	1 April 1998	*1 April 1999*
Private Office	11	12
Policy Unit	16	18
Press Office	11	14
Strategic Communications Unit	8	9
Appointments and Honours	7	9
Support Staff	84	89

Yugoslavia (NATO Bombing)

Mr. Dalyell: To ask the Prime Minister what assessment he has made of the extent of collateral damage caused by NATO forces in Yugoslavia and of the percentage of bombs and missiles which miss their targets. [80616]

The Prime Minister: We both assess the risk of collateral damage in advance of UK airstrikes and monitor the results afterwards on a case by case basis. Our pilots train intensively to ensure the greatest possible accuracy in bombing attacks and NATO as a whole has made every attempt to reduce the risk of collateral damage. The cases of injury and death among civilians which have nevertheless occurred have been acknowledged by NATO and are deeply regretted. But the accidental civilian casualties caused—despite these stringent precautions—by NATO bombing, contrast sharply with the deliberate and calculated slaughter of Kosovar civilians instigated by Milosevic in pursuit of ethnic cleansing.

Under the terms of paragraph 1a of the Code of Practice on Access to Government Information, I am not prepared to release data on the percentage of bombs and missiles which miss their target. It would be wrong to assume that bombs and missiles which miss their target necessarily cause collateral damage.

United Nations

Mr. Mackinlay: To ask the Prime Minister in what circumstances it is possible for intervention by a member state of the UN or a regional organisation in the territory of another UN member state to be authorised by the UN on the basis of a resolution passed by a majority vote in a specially convened session of the General Assembly; and if he will make a statement. [82665]

The Prime Minister: General Assembly Resolution 377(V) provides for the General Assembly, in certain circumstances, to make appropriate recommendations for collective measures for the maintenance of international peace and security. Details on the Resolution (known as the Uniting for Peace Resolution) are available in the Library of the House.

Mr. Mackinlay: To ask the Prime Minister on what authority a state, or regional organisation of states, can be empowered to intervene in the territory of another UN member state, under the United Nations Charter, on the basis of its intervention being in response to a humanitarian catastrophe; and if he will make a statement. [82667]

The Prime Minister: Under international law a limited use of force can be justifiable in support purposes laid down by the Security Council but without the Council's express authorisation when that is the only means to avert an immediate and overwhelming humanitarian catastrophe. Any such case would in the nature of things be exceptional and would depend on an objective assessment of the factual circumstances at the time and on the terms of relevant decisions of the Security Council bearing on the situation in question.

Kosovo

Mr. Mackinlay: To ask the Prime Minister what proposals were conveyed by President Chirac to NATO partners in the months prior to the commencement of the bombing of Serbia by NATO forces with the objective of making Kosovo the first test of NATO/Russian understanding and collaboration; when such proposals were made; and if he will make a statement. [82666]

The Prime Minister: I am not aware of any such proposals.

LORD CHANCELLOR'S DEPARTMENT

Default Summonses (Gravesend)

Mr. Pond: To ask the Minister of State, Lord Chancellor's Department how many (i) liquidated and (ii) unliquidated default summonses were issued by Gravesend County Court in *(a)* 1997 and *(b)* 1998. [82300]

Mr. Hoon: Gravesend County Court issued 841 liquidated and 151 unliquidated summonses in 1997. The figures for 1998 were 781 and 145 respectively.

Mr. Pond: To ask the Minister of State, Lord Chancellor's Department how many default summonses were issued by Gravesend County Court between *(a)* 1 April 1997 and 30 September 1997 and *(b)* 1 April 1998 and 30 September 1998. [82301]

Mr. Hoon: Gravesend County Court issued 528 default summonses between 1 April 1997 and 30 September 1997; and 478 default summonses between 1 April 1998 and 30 September 1998.

Mistakes of Law

Mr. Garnier: To ask the Minister of State, Lord Chancellor's Department if he will make a statement on his Department's policy on *(a)* the reform of the law relating to the mistake of law rule at common law and *(b)* the Law Commission report (1994 No.227) entitled "Restitution: Mistakes of Law, Ultra Vires Public Authority Receipts and Payments". [82308]

Mr. Hoon: The House of Lords decision in Kleinwort Benson Ltd. *v.* Lincoln City Council last October means that it is no longer necessary to bring forward legislation to implement the first part of the Law Commission report No. 227 on "Restitution: Mistakes of Law, Ultra Vires Public Authority Receipts and Payments", which dealt with the common law aspects of mistake of law.

Part 2 of the report proposed changes to the law to ensure that citizens had effective remedies in circumstances where tax was paid but not due. However, developments since the report was published, including the procedures associated with self-assessment of tax liabilities, have created an acceptable balance of rights and responsibilities between the taxpayer and the state. Therefore, the Government have concluded that it is no longer necessary to implement Part 2 of the report.

SOCIAL SECURITY

Pensions

Mr. Webb: To ask the Secretary of State for Social Security if he will estimate, for each of the next 20 years, the size of the gap in pounds per week between the basic state pension and the minimum income guarantee, assuming price indexation of the basic pension and earnings indexation of the minimum income guarantee. [82056]

Mr. Timms: We have announced our intention to update the basic state pension annually at least in line with prices, and to increase the minimum income guarantee over time, as resources allow, in line with earnings. The information requested on the basis of the assumptions stated in the question is in the table.

Difference between the basic state pension and minimum income guarantee for a single pensioner aged 65

Year	*Difference (£)*
1999	8.25
2000	9.35
2001	10.50
2002	11.70
2003	12.85
2004	14.05
2005	15.25
2006	16.50
2007	17.75
2008	19.00
2009	20.30
2010	21.60
2011	22.90
2012	24.25
2013	25.65
2014	27.00
2015	28.40
2016	29.85
2017	31.30
2018	32.75
2019	34.25

Notes:

1. The difference is shown in constant April 1999 prices.
2. The figures assume that earnings grow by 1.5 per cent. per year above prices.
3. Figures rounded to the nearest £0.05.

DEFENCE

Foreign Media Interviews

Mr. Hayes: To ask the Secretary of State for Defence if he will place in the Library a translation of his interview in the al-Sharq al Aswat Arabic language newspaper of 23 October 1998. [74139]

Mr. George Robertson *[holding answer 2 March 1999]:* I have today placed a translation of the interview in the Library of the House.

Small Arms Ranges

Mr. Brazier: To ask the Secretary of State for Defence if he will make a statement on policy with regard to future use of small arms trainer ranges by HM armed forces. [81776]

Mr. Doug Henderson: Small arms trainer ranges have proved a cost-effective way of training servicemen in rifle and, more recently, pistol marksmanship. The Ministry of Defence is considering expanding the role of the trainer ranges to encompass training in the use of a number of other close combat weapons and to improve training realism.

Mr. Brazier: To ask the Secretary of State for Defence if he will list the small arms trainer ranges operational in the United Kingdom prior to the strategic defence review, indicating *(a)* regular, *(b)* TA and *(c)* Cadet Unit numbers catered for at each. [81779]

Mr. Doug Henderson: Small arms trainer (SAT) systems are currently operational at the following locations in the United Kingdom:

Army

Location	*Quantity*
Chilwell	2
Harrogate	2
Chepstow	1
Bulford	1
Dartmoor	2
Ripon	1
Windsor	1
Preston	2
Tidworth	1
Liss, Hants	1
Chester	1
Catterick	7
Middle Wallop	1
Omagh	3
Londonderry	1
Belfast	2
London	2
Chichester	1
Canterbury	1
Warminster	2
Inverness	2
Shorncliffe	1
Ballykelly	2
Colchester	1
Brawdy	1
Bovington	1
Shropshire	2
Co. Antrim	1
Surrey	1
Larkhill	1
Lydd	1
Lisburn	1
Nuneaton	1
Portadown	1
Arborfield	2
Cumbria	1
Dover	1
Aldershot	2
Ballykinler	1
Sandhurst	1
Holywood	1
Bicester	1
Glencorse	2
Waddington	1

Army

Location	*Quantity*
Staxton Wold	1
Leeming	1
Coltishall	1
Lossiemouth	1
Wittering	1
Conningsby	1
Brize Norton	1
Buchan	1
Marham	1
Uxbridge	1
Dorset	1
Staffordshire	1
Weathersfield, Essex	1
Bassingbourn	2
Brecon	3
Litchfield	2
Ballymena	1
Winchester	2
Pirbright	2
York	1
Edinburgh	1
Armagh	2

Territorial Army

Location	*Quantity*
Bordon	1
Truro	1
Bridge of Don	1
Newcastle	1
Sheffield	1
Devises	1
Bury St. Edmunds	1
Newham	1
Exeter	1
Grantham	1
Glasgow	1
Liverpool	1

Royal Air Force

Location	*Quantity*
High Wycombe	1
Stafford	1
St. Mawgan	1
Boulmer	1
Saxa Vord	1
Kinloss	1
Cottesmore	1
Innsworth	1
Odiham	1
Henlow	1
Brampton	1
Cosford	1
Valley	1
Halton	2
Cranwell	1
Honington	2
Rudloe Manor	1
Benson	1
Lyneham	1
Leuchars	1

Royal Navy/Royal Marines

Location	*Quantity*
Yeovilton	1
Norton Manor	1
Plymouth	3
Portsmouth	3
Poole	1

Royal Navy/Royal Marines

Location	*Quantity*
Bickleigh	1
Arbroath	1
Faslane	1
Fareham	1
Lympstone	1

These facilities can be used by local or visiting units (regular, reserve and cadet) and details of specific users are not held centrally and could be provided only at disproportionate cost.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Defence if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81761]

Mr. Doug Henderson: My Department uses counsel to conduct legal proceedings or to provide legal advice as recommended by the Department's various solicitors or the Department's Legal Adviser. Junior counsel from the Attorney-General's panel or Queen's Counsel are instructed according to the degree of experience and expertise required in each case.

The number of occasions on which Queen's Counsel have been instructed in the last three years, and the cost of doing so, could be provided only at disproportionate cost.

Falklands

Mr. Keetch: To ask the Secretary of State for Defence what assessment he has made of the effect on the Falkland Islands garrison of the decision of the Government of Chile to withdraw air links to the Falkland Islands; and if he will make a statement. [81867]

Mr. Doug Henderson: The suspension of Lan Chile flights between Chile and the Falkland Islands will have no effect on the Falkland Islands garrison.

Mr. Gill: To ask the Secretary of State for Defence what plans he has to meet the Falkland Islands Government's request for armaments for fisheries protection vessels; and if he will make a statement. [81960]

Mr. Keetch: To ask the Secretary of State for Defence when he will announce his decision on the calibre of guns for Falkland Islands fishery protection vessels; and if he will make a statement. [81870]

Mr. Tony Lloyd: I have been asked to reply.

We take the matter of illegal fishing in the Falkland Islands seriously and it is our shared objective with the Falkland Islands Government to combat the problem. Illegal fishing has the potential to undermine the Falklands economy and attempts to conserve fish stocks. Recently, there have been up to an estimated 50 unlicensed vessels in Falklands waters and we assume that all were engaged in illegal fishing activities. The number of vessels now appears to be declining.

In January this year, we authorised the arming of a Fisheries Protection Vessel (FPV) with a 20mm Oerlikon cannon, which is the best weapon for the task of deterring illegal fishing and dealing with it, if necessary. The Falkland Islands Government (FIG) is responsible for the procurement and shipment of the cannon. This process has taken longer than anticipated. We have tried to help FIG speed up the shipment of the consignment but it cannot be carried on a passenger aircraft together with the ammunition needed. Accordingly, the Ministry of Defence has agreed to fly the cannon out on the next freight flight on 6 May.

FIG requested approval for temporary use of a smaller, 0.50 inch, machine gun on an FPV, as an interim measure. This request was carefully considered and a decision was made not to give approval. The machine gun is not a good visible deterrent and there are concerns that warning shots, which the FPV would be required to fire to alert a suspected unlicensed vessel, would not be seen or heard.

As a temporary measure, the Ministry of Defence has agreed to our request for one of the Royal Navy vessels stationed in the Falklands to accompany an FPV on its patrols. We have also made representations to the Taiwanese authorities in London and Taipei, as the majority of unlicensed vessels in Falklands waters are theirs. We shall continue to urge the Taiwanese authorities to bring their fleet under control.

We have received representations on this issue from FIG and its Fisheries Department, several MPs and from members of the public. Commercial operators who are licence-holders have made indirect representations.

We shall continue to support FIG in its attempts to combat illegal fishing.

Pay Budget

Mr. Hancock: To ask the Secretary of State for Defence what is his Department's budget for pay within the Defence Operating Costs Budget for 1999–2000. [82514]

Mr. George Robertson: The disclosure of information on planned expenditure on pay at this stage in the financial year could reveal internal assumptions about increases in the pay bill while negotiations on civil service pay for the current year are continuing. I am therefore withholding the information requested under exemption 7 of the Code of Practice on Access to Government Information.

Departmental Expenditure

Mr. Hancock: To ask the Secretary of State for Defence for what reasons Table 1a of his Department's expenditure plans 1999–2000 to 2001–02 does not contain entries for the years 2000–01 and 2001–02. [82516]

Mr. George Robertson: Table 1a of "The Government's Expenditure Plans 1999–2000 to 2001–2002: Ministry of Defence" does not contain entries for the years 2000–2001 and 2001–2002 because I have not decided on the allocation of resources for these years. Internal plans for these years represent projections and planning assumptions used to inform advice to me and my Ministerial colleagues on the affordability of the various elements of the Defence programme. Such information is covered by Exemption 2 of the Code of Practice on Access to Government Information.

Animal Experiments

Mr. Hancock: To ask the Secretary of State for Defence how many animals have been used in experiments at each of his Department's sites in each of the last five years. [82526]

Mr. Doug Henderson: This is a matter for the Chief Executive of the Defence Evaluation and Research Agency. I have asked the Chief Executive to write to the hon. Member.

Letter from Sir John Chisholm to Mr. Mike Hancock, dated 29 April 1999:

I have been asked to reply to your parliamentary question about the numbers of animals used in experiments at Ministry of Defence sites in each of the last 5 years.

The following figures relate to DERA sites and are in respect of the numbers of procedures undertaken (1 animal = 1 procedure, but note that individual animals may take part in several procedures). The figures reflect the information provided annually to the Home Office.

Year	*No. of Procedures*
1994	7,654
1995	8,914
1996	11,221
1997	11,083
1998	11,215

I hope the above is helpful.

Mr. Hancock: To ask the Secretary of State for Defence which of his Department's sites are licensed to carry out experiments on animals; and when the licences were issued. [82520]

Mr. Doug Henderson: This is a matter for the Chief Executive of the Defence Evaluation and Research Agency. I have asked the Chief Executive to write to the hon. Member.

Letter from Sir John Chisholm to Mr. Mike Hancock, dated 29 April 1999:

I have been asked to reply to your parliamentary question about licensing arrangements for animal experiments. My reply refers to the arrangements at DERA sites as we undertake the majority of work involving animals on behalf of the Ministry of Defence.

Under the terms of the Animals (Scientific Procedures) Act 1986 two DERA sites are licensed to conduct research that involves the use of animals. These are the Chemical and Biological Defence Sector at Porton Down and the Alverstoke site of the Centre for Human Sciences. Both sites have held licences, known as certificates, since the Act came into force in 1986. The Porton Down certificate had been modified several times since 1986 as facilities have changed and/or been updated.

I hope this is helpful.

Submarines (Firth of Clyde)

Dr. Godman: To ask the Secretary of State for Defence what plans he has to modify the regulations governing submerged submarine operations in the Firth of Clyde on weekdays; and if he will make a statement. [82276]

Mr. George Robertson: The regulations governing submerged submarine operations are contained in the Submarine/Fishing Vessel Interaction Code of Practice. Changes to the current Code of Practice which relate to the Firth of Clyde are currently with the National Federation of Fishermen's Organisation for ratification. The provisions contained therein, which include revised operating procedures in the Firth of Clyde and the requirement to notify the Clyde Fishermen's Association on weekdays when dived submarine operations are taking place in the area, are already being used by the Submarine Flotilla.

Official Secrets Act

Mr. McNamara: To ask the Secretary of State for Defence if he will make a statement on the use of the Official Secrets Acts in relation to those employed at *(a)* Aberporth, *(b)* Llanbedr, *(c)* Manorbier and *(d)* Ty Groes of the Thunderbird Regiment Royal Artillery of Portsmouth and Gosford at the time of the Aer Lingus accident on 24 March 1968. [82275]

Mr. Doug Henderson: The unit referred to, more properly known as the 457 Heavy Air Defence Regiment Royal Artillery (TA), was based at Portsmouth with one battery at Gosport. It was disbanded on 1 April 1967—almost a year before the Aer Lingus Viscount crashed into the Irish Sea. The establishments listed played no part in the events of that day. It is therefore extremely unlikely that the employees at those establishments or any other MOD employee would have any information concerning the causes of the crash. Nevertheless, I can repeat the assurances already given by my officials to the Irish authorities that if any MOD employee, military or civilian, had any information which could help determine the causes of the crash, there would be no inhibition or restriction whatsoever as to its disclosure to the Irish Accident Investigation Officials.

Army Technical Support Agency

Mr. Gardiner: To ask the Secretary of State for Defence what key targets have been set for the Army Technical Support Agency for 1999–2000. [82895]

Mr. Doug Henderson: The Chief Executive of the Army Technical Support Agency has been set the following 5 Key Targets for 1999–2000.

1. To influence equipment design by obtaining formal tasking from Project Managers/Integrated Logistic Support (ILS) Managers in at least 80 per cent. of designated ILS projects.

2. To provide a complete and accurate answer to at least 94 per cent of ad hoc inquiries within 2 working days.

3. To despatch new and reprinted technical publications within the period from receipt of demand as follows:

   (a) For Priority demands, 90 per cent. within 5 working days and,

   (b) For Routine demands, 90 per cent. within 24 working days.

4. To complete at least: 90 per cent. of Operational projects, 75 per cent. of Priority A projects and 60 per cent. of Priority B projects before the target date agreed with the customer.

5. To satisfy at least 92 per cent. of customers in the handling of technical projects.

Operation Allied Force

Ms Squire: To ask the Secretary of State for Defence what United Kingdom forces have been committed to Operation Allied Force; and if he will make a statement. [83122]

Mr. George Robertson: I have today authorised the committal of a significant number of additional RAF aircraft to Operation Allied Force, the NATO air and naval action. We are committing an additional four Harrier GR7 ground attack aircraft, four Tornado GR1 and a Tristar tanker to Operation Allied Force in response to a request from SACEUR for additional air assets. These aircraft will join the more than 700 UK and other allied aircraft already involved in air operations in the Balkans.

Including the deployments I am announcing today, the following UK units, or elements thereof, are currently committed to Operation Allied Force:

Royal Navy

HMS Invincible
HMS Newcastle
HMS Iron Duke
HMS Grafton
HMS Splendid
RFA Fort Austin
RFA Bayleaf
7 Sea Harrier FA2 aircraft
10 Sea King helicopters

In addition, HMS Turbulent is currently patrolling in the area.

Royal Air Force

16 Harrier GR7s
12 Tornado GR1s
3 E3-D Sentry AWACS
4 Tristar tankers
4 VC10 tankers
1 Nimrod.

INTERNATIONAL DEVELOPMENT

Kosovo

Mr. Bercow: To ask the Secretary of State for International Development what estimate she has made of the cost of restoring Kosovan *(a)* infrastructure and *(b)* housing to March 1999 levels. [82475]

Mr. Foulkes: It is impossible at this stage to make a reliable estimate of the costs of restoring infrastructure and housing in Kosovo. An early needs assessment will be part of the process for planning refugee return and longer term reconstruction, which was begun by my right hon. Friend the Secretary of State and her colleagues from the US, French, German and Italian development ministries at their meeting in London on 22 April.

Mr. Streeter: To ask the Secretary of State for International Development how the additional £20 million funding recently announced by her Department for the Kosovar refugees is being spent. [82668]

Mr. Foulkes: We are funding airlifts and the necessary logistical support to overcome the constraints on delivering international assistance into the region and to internal movements of supplies. We have put in aircraft

handling teams at Tirana and Skopje airports and a trucking convoy operation from Durres port in Albania. We are working with NATO and UNHCR to establish and run refugee centres in Albania and Macedonia. We have provided specialist personnel to strengthen agency capacity in key areas such as healthcare and camp security and have also funded a range of projects of international agencies and NGOs. Full details of the assistance provided by DFID have been deposited in the Library of the House.

Mr. Streeter: To ask the Secretary of State for International Development what proposals she has evaluated for the movement of refugees from Macedonia to Albania. [82669]

Mr. Foulkes: We have received no specific proposals for the movement of refugees from Macedonia to Albania. It is normal practice for refugees to be cared for in the first country in which they seek safety. Any movement to third countries should be entirely voluntary—we have made clear our concern to the Macedonian Government about the way in which people were initially dispatched to other countries, including Albania, without their consent. It must also take into account the hosting capacity of the receiving country—Albania has already received over 350,000 refugees from Kosovo, and facilities there are stretched.

HEALTH

Hepatitis C

Mr. Berry: To ask the Secretary of State for Health (1) what estimate he has made of the number of people with haemophilia infected with hepatitis C by contaminated blood products who are now suffering *(a)* chronic liver disease and *(b)* other significant health problems as a result of their infection; [80909]

(2) what estimates he has made of the number of people with haemophilia who were infected with hepatitis C as a result of their NHS treatment before 1986 and the number of these who are alive today. [80908]

Mr. Hutton: We estimate that 4,000 people with haemophilia were infected with hepatitis C through their National Health Service treatment with blood products before the introduction of viral inactivation processes in 1985. The Haemophilia Society assesses that more than ninety patients have died. We do not have information on the number of people with chronic liver disease or other significant health problems, but all identified cases of hepatitis C infection through blood or blood products are referred to a specialist for further assessment, and drug therapy as appropriate. We believe that 6 or 7 people with haemophilia are on the United Kingdom Transplant Support Service Authority's list of people awaiting liver transplants.

Dentistry

Jackie Ballard: To ask the Secretary of State for Health what was the amount of unspent Investing in Dentistry funds for 1997–98; and whether that balance was re-allocated to the 1998–99 funds. [81911]

Mr. Denham: The investing in dentistry scheme was announced in September 1997 and up to £9 million was made available to meet expenditure in that financial year, 1997–98. Grants to the value of £3,836,408 had been approved by the end of March 1998, although by that point grant payments dispensed, and the estimated cost of the additional treatment fees generated by the extra patients registered, had together totalled about £175,000. This is because there is often a period of several months after the approval stage before the additional staff or facilities are in place to receive patients, when the grant becomes payable. Under the current annuality conventions, any money which has been voted by Parliament for a particular year, but which is not needed to meet expenditure chargeable to that year, cannot be carried forward into the next financial year. However, in 1998–99, a further £10 million was made available for the investing in dentistry scheme.

Breast Cancer Units

Mr. Cox: To ask the Secretary of State for Health how many specialist breast cancer units in hospitals cover the Greater London area. [81887]

Mr. Hutton: The 36 specialist breast cancer units in hospitals covering the Greater London area are:

Basildon and Thurrock General Hospitals Healthcare Trust
Bromley Hospitals National Health Service Trust
Central Middlesex Hospital NHS Trust
Chase Farm Hospitals NHS Trust
Ealing Hospital NHS Trust
East Hertfordshire NHS Trust
Essex and Herts Community NHS Trust
Forest Healthcare NHS Trust
Greenwich Healthcare NHS Trust
Guy's and St. Thomas' Hospital NHS Trust
Hammersmith Hospitals NHS Trust
Havering Hospitals NHS Trust
Hillingdon Hospital West Middlesex
Homerton Hospital NHS Trust
King's Healthcare NHS Trust
Kingston and District Community NHS Trust
Lewisham Hospital NHS Trust
Luton and Dunstable Hospital NHS Trust
Mayday Healthcare NHS Trust
Mount Vernon and Watford Hospitals NHS Trust
Newham Healthcare NHS Trust
North Middlesex Hospital NHS Trust
Northwick Park and St. Mark's NHS Trust
Queen Mary's Sidcup NHS Trust
Redbridge Healthcare NHS Trust
Richmond, Twickenham and Roehampton Healthcare NHS Trust
Royal Free Hampstead NHS Trust Hospitals
The Royal Hospitals NHS Trust
Royal Marsden Hospital NHS Trust
St. George's NHS Trust
St. Mary's NHS Trust
University College London Hospitals NHS Trust
Wellhouse NHS Trust
West Herts Community Health NHS Trust
West Middlesex University Hospital NHS Trust
Whittington Hospital NHS Trust.

Cystic Fibrosis

Mr. Maclean: To ask the Secretary of State for Health (1) what was the average survival age for sufferers of cystic fibrosis in *(a)* 1998, *(b)* 1988 and *(c)* 1978; [81753]

(2) if he will estimate the number of cystic fibrosis sufferers who reached their 18 birthday in *(a)* 1970 and *(b)* 1998. [81752]

Mr. Hutton: The information is not available in the form requested. The United Kingdom Cystic Fibrosis Survey can provide survival data based on three year cohorts. According to the Survey's current data (which include 1997 data for deaths from the Office for National Statistics) of people with cystic fibrosis born in the three year period 1986–88, 93 per cent. survived to age 12; of those born in 1977–79, 63 per cent. survived to age 21; of those born in 1968–70, the median survival was 16 years 8 months and 47 per cent. survived to age 18. For the 1986–88 cohort, 90 per cent. might be expected to survive to age 18. Recent trends for children indicate that the upper limit of survival to age 18 might be about 95 per cent.

444 people with cystic fibrosis were aged 18 or more at the start of 1978 and 94 reached their 18 birthday in that year; 2,357 people with cystic fibrosis were aged 18 or more at the start of 1997 and 216 reached their 18 birthday in that year. Equivalent figures for the years before 1978 are not available and nor yet are those for 1998.

A summary of information from the Survey up to 1997 is available from the Cystic Fibrosis Trust. Copies are available in the Library.

Health Authorities and Trust Financial Plans

Mr. Lansley: To ask the Secretary of State for Health which health authorities and trusts have finalised their financial plans for the financial year 1999–2000. [82670]

Mr. Denham: I refer the hon. Member to the reply I gave him on 26 April 1999, *Official Report*, columns 28–29.

The financial plans of all health authorities and trusts for the financial year 1999–2000 are due to be submitted to the National Health Service Executive headquarters by the end of May.

HIV/AIDS

Dr. Strang: To ask the Secretary of State for Health if he will list the membership of the Steering Group convened to develop the HIV/AIDS strategy; and if he will set out the interests of each member. [82452]

Ms Jowell: The membership of the Steering Group convened to develop the HIV/AIDS Strategy is listed, as are their areas of interest in the HIV/AIDS field.

Chair:

Mr. David Walden, Head of Health Promotion division in the Department

Members:

Dr. David Hawkins—HIV/AIDS and genito-urinary medicine—clinical care
(Consultant in Genito-urinary medicine; Chelsea and Westminster Hospital, and member of the Expert Advisory Group on AIDS (EAGA);

Ms Carolyn Roth—HIV/AIDS nursing care
(Senior lecturer in Midwifery Studies, City University; and member of EAGA)

Mrs. Diana Kloss—the law in relation to HIV/AIDS
(Barrister, University of Manchester and member of EAGA)

Dr. Lindsey Davies—public health
(Regional director of public health; Trent National Health Service Regional Office)

Dr. Sian Griffiths—public health
(Director of public health, Oxfordshire Health Authority)

Professor Michael Adler—HIV/AIDS and Genito-urinary medicine—clinical care
(Professor of Gentio-urinary Medicine at University College London Medical School)

Professor Anthony Pinching—HIV/AIDS medicine—clinical care
(HIV specialist physician, Professor of Immunology at St. Bartholomew's and the Royal London School of Medicine and Dentistry; Director of Association of NHS Providers of AIDS Care and Treatment).

Nomination to be sought from the Royal College of General Practitioners:

Dr. Barry Evans—epidemiology of HIV/AIDS
(consultant epidemiologist in HIV/AIDS and STD Division, Communicable Diseases Centre, Public Health Laboratory Service)

Mr. Martin Roberts; NHS management issues
(Chief Executive of Lambeth, Southwark and Lewisham Health Authority)

Mr. David Regan—public health
(Public health specialist, Manchester Health Authority)

Ms Kate Money—commissioning of HIV/AIDS services
(HIV commissioner at Brighton Health Authority)

Dr. Paul Hatton—control of communicable diseases
Consultant in Communicable Disease Control at Leeds Health Authority;

Mr. Alan Chapman—community care of people with HIV/AIDS
(Director of Social Services for Bedfordshire; Secretary of the Disabilities Committee of Association of Directors of Social Services)

Ms Ros Pearman—community care of people infected and affected by HIV/AIDS in particular children (HIV coordinator, Croydon Borough Council)

Mr. Joshua Odongo—HIV/AIDS African community issues
HIV/AIDS (African communities) health promotion adviser East London and City Health Authority; Chair of African HIV/AIDS Steering Group;

Ms Kathy Elliot—HIV/AIDS health promotion
Director, Health Education Authority;

Mr. Derek Bodell—HIV/AIDS voluntary sector
(Director National AIDS Trust)

Mr. Nick Partridge—HIV/AIDS voluntary sector
(Chief Executive, Terrance Higgins Trust)

Mr. Ian Kramer—service user
(Deputy Director, United Kingdom Coalition of people living with HIV and AIDS Ltd.)

Ms Mary Okoth—women's issues of HIV/AIDS in communities
(Community development worker, Positively Women)

Mr. Paul McCrory—service user
(Chair of Directors, National Network of self help HIV and AIDS groups).

Observers from Department for International Development, Prisons Medical Service, Scottish Home and Health Department, Welsh Office, Department of Health and Social Service—Northern Ireland.

ECG Screening

Mr. David Taylor: To ask the Secretary of State for Health what plans he has to introduce ECG screening for cardiac risks in the young; and if he will make a statement. [82081]

Mr. Hutton: The National Screening Committee, which advises Ministers about changes to screening policy, has commissioned a report on screening for heart disease in children. This will be considered by its Child Health Screening Policy Sub-Committee shortly. The National Screening Committee will be in a position to offer advice in the autumn.

WALES

National Assembly

Mr. Dafis: To ask the Secretary of State for Wales if he will list the posts created in the National Assembly for Wales which stipulate knowledge of the Welsh language as *(a)* necessary and *(b)* desirable; and those posts for which there is no such stipulation. [78773]

Mr. Michael: Welsh has been specified as essential for posts in the translation service and in the editorial team for the record of Assembly business. Jobs for which Welsh is essential are carefully considered before reaching that conclusion and have attracted a choice of candidates. Posts for which Welsh is desirable or an advantage have been well subscribed by both English and Welsh speakers and also those speaking other modern World languages. An example is the recent Middle Managers recruitment scheme for which Welsh was identified as desirable and which generated over 1,000 applications for a possible 20 posts, the majority from English speakers.

Welsh has been described as an advantage for a number of other posts. For posts where Welsh is advertised as desirable or an advantage, it could be used as a deciding factor only where two candidates were equally good in all other respects. There are no posts for which a knowledge of Welsh is undesirable.

1. *Posts for which Welsh is essential*
   - Translators
   - Editorial Team
   - Committee Clerks—2 (out of 7)
   - Deputy Committee Clerks—2 (out of 7)
2. *Posts where Welsh is an advantage*
   - Head of Committee Secretariat
   - Staff of Committee Secretariat
   - Head of Public Information and Education Services
   - Public Information and Education Support Team
   - Head of Members Information and Briefing Service
   - Members Information and Briefing Service Support Team
   - Head of Chamber Secretariat
   - Head of Table Office
   - Table Office Support Team
   - Private Secretary to the Presiding and Deputy Presiding Officer
   - Librarian
   - Assistant Economist
   - General Executive Officer
   - Assistant Librarian
   - IS/IT Co-ordinator
   - Record of Proceeding Support Team
3. *Other posts*
   - Director of Public Information and Education
   - PS/PA to Director of Assembly Communications
   - Middle Managers
   - Security Guards/Ushers.

Consultations (Postal Costs)

Mr. Keetch: To ask the Secretary of State for Wales if he will pay the postal costs of voluntary bodies and registered charities requested to respond to Government consultation documents; and if he will make a statement. [80916]

Mr. Michael: When voluntary bodies and registered charities are invited to respond to a Welsh Office consultation paper, postal costs are not covered automatically. The Department would consider any claim on its merits, taking account of such factors as the nature of the organisation, the scale of the consultation exercise and the information requested.

The Welsh Office does not pay postal costs incurred by organisations responding to consultation from other Government Departments. It is for individual Departments to decide whether to cover these.

Gifted Children

Mr. Edwards: To ask the Secretary of State for Wales (1) what initiatives the Government have announced with respect to gifted children; [81585]

(2) what provision his Department advises local authorities to make with respect to gifted children at state schools. [81584]

Mr. Hain: Local education authorities have a statutory duty to ensure pupils of statutory school age receive education suitable to their age, ability or aptitude, including pupils of above average ability. This will usually be in a mainstream school. The National Curriculum provides for children of all abilities, including those who are gifted. The Education Act 1996 gives LEAs discretion to arrange for the withdrawal of a pupil from primary school for the purpose of receiving secondary education once a child has reached the age of 10 years and 6 months.

Our priority is to improve standards of educational attainment for all children in Wales. The Welsh Office Education White Paper "Building Excellent Schools Together", published in July 1997, recognised the need for schools to stretch gifted pupils to achieve their full potential. The Government have established a Gifted and Talented Advisory Group to contribute to the development of a strategy for the early identification and effective provision for gifted and talented children. The Qualifications, Curriculum and Assessment Authority for

Wales (ACCAC), which is represented on the Group, will also ensure that the needs of such pupils are considered as part of their review of the National Curriculum in Wales. Following the transfer of functions, these issues will become the responsibility of the National Assembly.

Department Legal Business

Mr. Dismore: To ask the Secretary of State for Wales if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81767]

Mr. Michael: The Treasury Solicitor's Department, acting on behalf of the Welsh Office, predominantly use junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

In civil cases, the two First Treasury Counsel are both junior counsel and they will advise and represent the Government without a Queen's Counsel in many of their important cases. In addition, the Attorney-General maintains four panels of junior Counsel whom Departments are expected to use for the majority of the Government's civil litigation. The Attorney-General's approval, or that of the Solicitor-General, is required before a Queen's Counsel can be instructed to appear for any Government Department in civil litigation.

In determining the level of counsel to use, the Department considers the individual circumstances of each case. Amongst other things it takes into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

For the years in question Queen's Counsel were instructed as follows:

1997: 3 occasions

1998: 4 occasions

1999: 3 occasions

Costs paid to date in instructing Queen's Counsel, excluding Counsel engaged on the North Wales Child Abuse Inquiry, are currently £83,376 for the years in question. So far as the costs arising from the North Wales Inquiry are concerned, this is information which cannot be extracted from the file and invoice records without incurring disproportionate cost.

Power Stations

Mr. Evans: To ask the Secretary of State for Wales if consents for building power stations will be a matter devolved to the Welsh Assembly. [82245]

Mr. Hain: No.

Education (Expenditure)

Mr. Wilshire: To ask the Secretary of State for Wales how much central Government money was spent per capita in 1998 in Wales on helping schools meet special educational needs. [82198]

Mr. Hain *[holding answer 26 April 1999]:* Local authorities are funded to meet the needs of pupils with special educational needs through the annual local government revenue settlement. It is not possible to identify school expenditure on SEN from the returns made by local authorities.

In 1997–98, £1.3 million was made available under the Grants for Education Support and Training programme to promote SEN provision.

Following the transfer of functions, this issue will become a matter for the National Assembly.

Health Authorities

Mr. Lansley: To ask the Secretary of State for Wales if he will list, for each health authority and NHS trust in Wales, the projected budget surplus or deficit planned by that authority or trust for the financial year 1999–2000. [82671]

Mr. Jon Owen Jones: I regret the information requested is not yet available. Health authorities and trusts will prepare their financial projections for the year 1999–2000 once they have had an opportunity to assess the financial implications of the health authority allocations which will be issued shortly.

Following the transfer of functions, this issue will be a matter for the National Assembly.

TREASURY

Working Families Tax Credit

Mr. Gibb: To ask the Chancellor of the Exchequer what market research and polling has been carried out into the working families tax credit. [80886]

Dawn Primarolo: The Government have not undertaken any market research or polling of WFTC.

VAT (Finance) Order 1999

Mr. Whittingdale: To ask the Chancellor of the Exchequer if he will make a statement on the compatibility of the VAT (Finance) Order 1999 with the Sixth VAT Directive following the ruling by the VAT Tribunal on the FDR case on 20 April. [82661]

Dawn Primarolo: The Order reflects the provisions of EC law better than its predecessor, and is based on extensive consultation with the VAT authorities in other Member States and the European Commission. We are satisfied that it fully complies with European law. We are confident that it would be found to be compatible with the Sixth EC VAT Directive were such a question to be referred to the European Court of Justice.

Mr. Whittingdale: To ask the Chancellor of the Exchequer if he intends to repeal the VAT (Finance) Order 1999 following the ruling by the VAT Tribunal on the FDR case on 20 April; and if he will make a statement. [82660]

Dawn Primarolo: No.

Sudden Death Syndrome

Mr. David Taylor: To ask the Chancellor of the Exchequer how many deaths have been reported from sudden death syndrome for under 25 year-olds in each of the last five years. [82082]

Ms Hewitt: The information requested falls within the responsibility of the Director of the Office for National Statistics. I have asked him to reply.

Letter from Tim Hold to Mr. David Taylor, dated 29 April 1999:

As Director of the Office for National Statistics (ONS), I have been asked to answer your recent question on how many deaths have been reported from sudden death syndrome for the under 25 year-olds in each of the last five years. The information requested is shown in the table below.

Death certificates do not usually say whether a death was sudden or not, and 'sudden death syndrome' is not a term that is used much in this country. When one of these terms is used, the death is assigned an underlying cause of death of 'sudden death, cause unknown', (International Classification of Diseases Ninth Revision code 798).

However, all deaths that are sudden and unexpected must be referred to a coroner for investigation. Usually a post mortem examination by a pathologist identifies a previously unsuspected disease that caused the death. The table shows the number of deaths at ages one to 24 from heart disease, stroke, and epilepsy which were certified by coroners. This should include all sudden deaths from these diseases, but will also include deaths that were referred to the coroner for other reasons. The table also gives the number of deaths for which no cause could be found by post mortem or inquest but which were not actually stated to have been 'sudden'.

Sudden deaths, cause unknown, and deaths from selected causes certified by coroners, of people aged one to 24 in England and Wales 1993 to 1997

	1993	*1994*	*1995*	*1996*	*1997*
Sudden, cause unknown	15	21	17	20	18
Certified by coroner, due to:					
Heart disease	154	137	138	102	102
Stroke	29	26	30	30	15
Epilepsy	98	91	93	88	93
Unknown cause	26	27	35	40	41

Notes:
Figures do not include deaths from Sudden Infant Death Syndrome, or any other deaths under 1 year of age.

Tax Law Rewrite Project

Ms Lawrence: To ask the Chancellor of the Exchequer if he will make a statement on recent developments in respect of the Tax Law Rewrite project. [82998]

Dawn Primarolo: I am pleased to announce that the Tax Law Rewrite project is continuing to make very good progress. The Inland Revenue will shortly publish the project's fifth Exposure Draft, which contains draft clauses on capital allowances for machinery and plant, dredging and patents. Copies will be placed in the Libraries of the House.

This Exposure Draft is the second instalment in a series that will completely rewrite the capital allowances code. The rewritten legislation in this publication will form part of the first rewrite Bill, which will be on capital allowances. The Rewrite project is committed to full consultation. I hope that all those with an interest in legislation will welcome and use this latest opportunity to comment.

FOREIGN AND COMMONWEALTH AFFAIRS

Russia

Mr. Matthew Taylor: To ask the Secretary of State for Foreign and Commonwealth Affairs how many times British and American officials have visited Russian facilities under the US-British-Russian Trilateral Process to end Russia's offensive biological warfare programme since the process was initiated in September 1992; what were the dates of each visit; and what were the names and locations of each facility visited. [82250]

Mr. Tony Lloyd: British and American officials have visited four Russian facilities under the US-British-Russian Trilateral Agreement. The visits took place from 5 to 16 October 1993 and from 10 to 21 January 1994. Under the terms of the Trilateral Agreement and in line with established practice under Section 13 of the Code of Practice on Access to Government Information, which covers Third Party's commercial confidences, I am unable to provide the names and locations of the facilities visited.

Mr. Matthew Taylor: To ask the Secretary of State for Foreign and Commonwealth Affairs how many expert working groups have been set up under the US-British-Russian Trilateral Process to end Russia's offensive biological warfare programme since the process was initiated in September 1992; and what are the names of each of these expert working groups. [82251]

Mr. Tony Lloyd: A working group, comprising UK, US and Russian officials, has met twice since the conclusion of the US-British-Russian Trilateral Agreement: in London in April 1994 and in Moscow in September 1994. The meetings focused on past offensive BW programmes, current BW defence activities, a review of the visits which had already taken place, a "rules of the road" document for visits to military biological facilities and conversion issues. No separate working groups have been established on other aspects of the Trilateral Agreements.

Mr. Matthew Taylor: To ask the Secretary of State for Foreign and Commonwealth Affairs how many times Russian officials have visited British and American facilities under the US-British-Russian Trilateral Process to end Russia's offensive biological warfare programme since the process was initiated in September 1992; what were the dates of each visit; and what were the names and locations of each facility visited. [82249]

Mr. Tony Lloyd: Russian officials have visited one British facility and three American facilities under the US-British-Russian Trilateral Agreement. The visit to the British facility took place from 22 to 25 March 1994. Those to the American facilities took place from 15 to 18 February 1994, from 22 to 24 February 1994 and from 28 February to 2 March 1994. Under the terms of the Trilateral Agreement and in line with established practice under Section 13 of the Code of Practice on Access to Government Information, which covers Third party's commercial confidences, I am unable to provide the names and locations of the facilities visited.

MEPs

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on

the proposals on the agenda of the General Affairs Council of 22–23 March concerning the establishment of a pan-European MEP voting constituency with pan-European MEP lists; what discussions were held in the Council; and when the matter will next be considered. [82479]

Ms Quin: No such item appeared on the agenda for the 22–23 March General Affairs Council. The European Parliament's proposal for common principles for European Parliamentary elections, adopted in July 1998, suggested the possibility of trans-European lists of candidates. But the Council has yet to give an opinion on the proposal.

Colombia

Mr. Hancock: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he has received concerning recent harassment of human rights activists in Colombia. [82485]

Mr. Tony Lloyd: We have received representations on the problems experienced by human rights workers in Colombia, particularly those in the Uraba region, by a number of NGO's as well as from members of the public. I myself raised the issue of human rights workers and in particular the CINEP case, with the Colombian Vice-President, Gustova Bell, when he called on me on 27 April.

Council of Europe

Mr. Plaskitt: To ask the Secretary of State for Foreign and Commonwealth Affairs what arrangements are being made to commemorate the 50 Anniversary of the Council of Europe in London on 5 May; and if he will make a statement. [82997]

Ms Quin: Ministers of Council of Europe Member States and guests from Strasbourg have been invited to a ceremony in the Palace of Westminster on 5 May at which my hon. Friend the Lord Chancellor will make a keynote address on the importance of the Council of Europe. Her Majesty The Queen will grace a reception at St. James's Palace, where the Council of Europe's Statute was signed 50 years ago on 5 May 1949. The Strasbourg Philharmonic Orchestra will give a concert in the Barbican Centre on 4 May in the presence of HRH Princess Alexandra.

The United Kingdom is an active member of the Council of Europe which plays a valuable role in promoting human rights, democracy and the rule of law in Europe. The Council of Europe has helped to set the standards which must form the basis of a stable modern Europe. In recent years, it has played a vital part in fostering these values in the newly democratised States of Central and Eastern Europe and in providing practical assistance to help them achieve the standards to which all Council of Europe members are committed. The Council of Europe is also contributing its expertise to the efforts of the international community to restore peace and stability in the Balkans.

The Council of Europe, through the legally binding mechanisms of the European Convention on Human Rights and the newly created Single Court, has set the pattern and standard for the protection and promotion of human rights in Europe. The work of the Council in promoting the protection of the rights of members of national minorities is particularly vital to the development of the region and the well-being of its citizens.

The United Kingdom has been active in the work being done to follow up the report of the Committee of Wise Persons, set up after the Council's second Summit in 1997, to enhance the Council of Europe's ability to address the key threats to democracy and fundamental freedoms in Europe today.

As a signal of the importance that the United Kingdom attaches to this, Her Majesty's Government has put forward a candidate, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Davis), for election to the post of Secretary General of the Council of Europe, which falls vacant at the end of August.

United Nations

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs at what stage Article 19 of the UN Charter could be triggered in respect of the US non-payment of its full contributions, with particular reference to loss of voting rights in the General Assembly and other UN agencies; and if he will make a statement. [82655]

Mr. Tony Lloyd: Calculations for Article 19 of the UN Charter, under which member states may lose their General Assembly vote if they have outstanding contributions greater than the total of their previous two years' dues, are made on 1 January every year. Article 19 could trigger in respect of the US in January 2000 if it does not pay at least some of its UN arrears this year. The UK and EU urge all member states to pay their UN dues promptly, in full and without conditions.

Chile

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the issues raised during his meeting with the Chilean Foreign Minister on 21 April. [82483]

Mr. Tony Lloyd: The Chilean Foreign Minister, Sr. Insulza, cancelled the meeting with my right hon. Friend the Foreign Secretary at the last minute for logistical reasons. My right hon. Friend has since spoken to Sr. Insulza. For details of the issues discussed, I refer the hon. Member to the reply my right hon. Friend the Foreign Secretary gave to my hon. Friend the Member for Ilford, North (Ms Perham) on 28 April 1999, *Official Report*, column *180*.

Near Abroad Doctrine

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will set out Her Majesty's Government's policy on the right of UN members, or regional organisations, to intervene in the territory of other member states on the basis of the near abroad doctrine; and if he will make a statement. [82664]

Mr. Tony Lloyd: The United Nations Charter preserves the right of a state or group of states to use force in self-defence in accordance with Article 51; the Charter also allows the use of force under the authorisation of the Security Council acting under Chapter VII of the Charter. Cases have also arisen, as in Kosovo, when in the light of

all the circumstances the use of force is justifiable in support of purposes laid down by the Security Council when that was the only means to avert an immediate and overwhelming humanitarian catastrophe. There is no accepted doctrine of the "near abroad".

Peacekeeping (UN)

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will set out Her Majesty's Government's policy on the application of Article 53 of the UN Charter, with particular reference to Security Council approval for regional organisations' peace enforcing, peacekeeping or humanitarian interventions. [82663]

Mr. Tony Lloyd: Under Article 53 of the United Nations (UN) Charter, enforcement action under regional arrangements described in Article 52 requires Security Council authorisation. Prohibitions on the use of force contained in the UN Charter do not preclude the use of force by state or group of states in accordance with Articles 51 or under the authority of the Security Council acting under Chapter VII of the Charter.

Cases have also arisen when, in the light of all the circumstances, a limited use of force was justifiable in support of the purposes laid down by the Security Council but without the Council's express authorisation when that was the only means to avert an immediate and overwhelming humanitarian catastrophe. Such cases would in the nature of things be exceptional and would depend on an objective assessment of the factual circumstances at the time and on the terms of relevant decisions of the Security Council bearing on the situation in question.

We are working to ensure the closest possible co-operation between the Security Council and regional arrangements. I draw my hon. Friend's attention to the 30 November statement by the President of the Security Council, "Enhancing Monitoring of Activities authorised by the Council but carried out by Member States or Coalitions of States", which has been placed in the Library of the House (ref. DEP 99/333).

East Timor

Dr. Tonge: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will promote the appointment of a UN Special Rapporteur for East Timor to monitor human rights in the area. [82467]

Mr. Fatchett *[holding answer 28 April 1999]*: We are open to any proposal that makes a peaceful future for East Timor more likely. We welcome the visits to Indonesia of the UN Special Rapporteur on Violence Against Women last December and the UN Working Group on Arbitrary Detention in February, and look forward to the publication of their reports.

In the meantime, we note that the UN Office in Jakarta has access to East Timor; and that the establishment of a permanent UN presence in East Timor was discussed at the latest round of talks in New York, under the auspices of the UN Secretary General, between Indonesia and Portugal.

AGRICULTURE, FISHERIES AND FOOD

Intervention Board

Ms Keeble: To ask the Minister of Agriculture, Fisheries and Food when the Intervention Board will publish its 1997–98 annual report and accounts. [82853]

Mr. Nick Brown: I am pleased to announce that copies of the document have been placed in the Libraries of the House today.

Inward Processing Relief

Mr. Paice: To ask the Minister of Agriculture, Fisheries and Food what representations he has received regarding the administrative arrangements for applying for inward processing relief; and what plans he has for reform of the system. [82243]

Mr. Rooker: Inward Processing Relief (IPR) promotes exports from the EU by putting Community producers on an equal footing with their third country counterparts as regards duty.

Proposals for reform of the administrative arrangements of the scheme have been the subject of discussions in Brussels over the past two years. The aim of the reform is to ensure that the relief continues to be of real financial benefit to EC business.

Regular consultation on the review takes place within the UK's own working group made up of representatives from UK business, including the food processing industry, MAFF, DTI and HM Customs and Excise. The recommendations of this group have been channelled into the discussions in Brussels and have positively influenced the Commission's plans for reform.

The UK fully supports the overall aims of the Commission in its reform and is continuing to press the Commission to speed up the process.

HM Customs and Excise lead on negotiations on this trade facilitation scheme.

Badgers

Mr. Nigel Jones: To ask the Minister of Agriculture, Fisheries and Food what methods are being used for killing badgers in the randomised badger culling trial. [81508]

Mr. Rooker: Badgers are humanely despatched by shooting.

Mr. Nigel Jones: To ask the Minister of Agriculture, Fisheries and Food if a veterinary surgeon will be present when each badger is captured and killed in the randomised culling trial. [81511]

Mr. Rooker: The despatch of badgers may only be carried out by fully trained MAFF staff following standard operating procedures. Veterinary staff are not required to be present.

Mr. Nigel Jones: To ask the Minister of Agriculture, Fisheries and Food (1) what administrative and practical measures have been put in place to ensure that badger welfare is optimised during the capture and killing of badgers; [81509]

(2) what training field staff involved in the randomised badger culling trial have received in killing badgers humanely; [81510]

(3) what training is given to new field staff involved in the randomised badger culling trial in identifying badger field signs and in shooting badgers humanely. [81512]

Mr. Rooker: New Wildlife Unit Staff receive initial training in how to recognise badger field activity from experts from the Central Science Laboratory and then work in the field alongside experienced Wildlife Unit Staff until they are fully competent.

To limit the time that badgers may be left in cage traps, standard operating procedures require that cages set to trap be checked as early as possible the following day and normally no later than 12:00 noon. Trapping will be suspended, if, due to bad weather, there is a risk that cage traps could be flooded or trapped badgers would suffer from extreme exposure. Both temperature and wind-chill are taken into account.

The despatch of badgers may be carried out only by MAFF staff who have been fully trained, tested and issued with an "Authority to use Firearms on Official Business". Such staff receive external and internal training on the safe and humane use of firearms specifically in relation to badgers. Given the importance of this work, action is being taken to appoint an independent auditor to assess the humaneness of the method of despatch and the proper application of these procedures.

Veterinary Laboratories Agency

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Veterinary Laboratories Agency for 1999–2000. [83047]

Mr. Nick Brown: I have set the Veterinary Laboratories Agency the following performance targets for 1999—2000.

Efficiency

1. To develop new efficiency indicators that will apply from 1 April 2000.

Service Deliver

2. To achieve 85 per cent. of ROAME R&D milestones.

Service Quality

3. To achieve NAMAS accreditation for rabies serological testing and GLP approval for the small animal accommodation.

Financial Performance

4. To recover the full economic cost (before exceptional items and calculated in accordance with accruals accounting) of its services.

5. To operate within 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Centre for Environment, Fisheries and Aquaculture Science

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Centre for Environment, Fisheries and Aquaculture Science for 1999–2000. [83048]

Mr. Nick Brown: I have set the Centre for Environment, Fisheries and Aquaculture Science the following performance targets for 1999–2000.

Delivery of Service

1. To give satisfaction to its customers in the way that outputs are provided taking account of the relevance, timeliness and value for money of outputs and the achievement of ROAME milestones.

Quality of Science

2. To maintain a high standard of excellence, based on indicators of scientific and technical quality.

Efficiency

3. To achieve the savings forecast in the efficiency plan.

Financial Performance

4. To recover from Government Departments and Agencies and external customers the full economic costs (calculated according to accruals accounting) of its services.

5. To operate within 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Farming and Rural Conservation Agency

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Farming and Rural Conservation Agency for 1999–2000. [83049]

Mr. Nick Brown: I have set the Farming and Rural Conservation Agency the following performance targets for 1999–2000.

1. To deliver a 5 per cent. saving on new applications for the Countryside Stewardship Scheme compared with 1998–99.

Delivery of Service

2. 92 per cent. of work completed to time.

3. 98 per cent. of work completed to quality standards agreed with MAFF and WOAD customers.

People

4. To achieve Investors in People accreditation.

Financial Performance

5. To recover from Government Departments the full economic cost (calculated to accruals accounting) of its services.

6. To operate with 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Pesticides Safety Directorate

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Pesticides Safety Directorate for 1999–2000. [83050]

Mr. Nick Brown: I have set the Pesticides Safety Directorate the following performance targets for 1999–2000.

Quality of Service

1. To deliver the throughput of applications and processing times set out in the tables that follows this list.

2. To deliver high quality policy advice to Ministers and respond to their policy objectives.

3. To deliver high quality scientific work.

4. To conduct a Customer Satisfaction Survey and respond positively to the results.

People

5. To maintain Investors in People accreditation.

Efficiency

6. To develop new efficiency indicators that will apply from 1 April 2000.

Financial Performance

7. To recover from industry and Government the full economic cost (calculated according to accruals accounting) of its services.

8. To operate within 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Table 1: New substances and reviews

Application type	*Planned receipts*	*Planned completions*	*Processing time (weeks)*
New Active Substances			
Stff	13	16	21
Evaluation	20	12	52
Reviews—UK			
UK anticholinesterase review programme—full reviews	28	4	—
Other UK review activity	17	24	—
Reviews—EC			
EU rapporteur reviews	—	—	—
Position on Annex I decisions	20	15	—
Total	98	71	90

Overall target—90 per cent. of applications with a stated processing time must be completed within that time

Note:

The figures for New Substances and Reviews are based on work in hand and forecasts from Industry and the Commission.

Table 2: Technical secretariat

Application type	*Planned receipts*	*Planned completions*	*Processing time (weeks)*
Normal	320	370	40
Departmental Normal	10	10	50
Experimental Permit	5	5	26
Departmental Experimental Permit	5	5	50
Extrapolated Experimental Approval	10	10	15
Emergency Off Label	25	25	12
Non-emergency Off Label	50	40	34
Fast	250	300	15
Administrative Fast	550	550	4
Post Annex I Approvals	55	55	—
Mutual Recognition	5	5	—
Other	5	50	—
Total	1,310	1,426	—
Total of Tables 1 and 2	1,408	1,496	90

Overall target—90 per cent. of applications with a stated processing time must be completed within that time

Central Science Laboratory

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Central Science Laboratory for 1999–2000. [83051]

Mr. Nick Brown: I have set the Central Science Laboratory the following performance targets for 1999–2000.

Efficiency

1. To develop new efficiency indicators that will apply from 1 April 2000.

Delivery of Science

2. At least 92 per cent. of work completed to time and within budget.

3. Achieve a mean score of 3.5 on a scale of 0 to 5 for the assessment of customer satisfaction using the established methodology.

4. Proportion of project milestones achieved to be at or greater than 82 per cent. (MAFF commissioned projects).

Financial Performance

5. To recover the full economic costs (calculated according to accruals accounting) of its services, after allowing for relocation costs.

6. To operate within 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Meat Hygiene Service

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Meat Hygiene Service for 1999–2000. [83052]

Mr. Nick Brown: I have set the Meat Hygiene Service the following performance targets for 1999–2000.

Operational and service delivery

1. To control specified risk material

To take all measures necessary to ensure full compliance in licensed premises with Specified Risk Material Regulations 1997 and other related statutory instruments.

2. To maintain the formal training programme for staff in HAS

To ensure that all MHS contract and employed OVSs have received formal training in HAS by the end of the year.

3. To raise HAS scores

To ensure that at the end of 1999–2000 on a rolling three-month average at least 93 per cent. of licensed premises achieve HAS scores of more than 65 and that 75 per cent. of all licensed premises achieve HAS scores of more than 70.

4. To implement strictly the MHS clean livestock strategy

To implement strictly the Clean Livestock Policy by ensuring that the percentage of cattle and sheep allowed to be slaughtered under special precautions in categories 3 and 4 is below 10 per cent. of those initially rejected over the course of the year (category 5 animals may not be slaughtered for human consumption).

5. To ensure a strict prohibition on faecal contamination

To ensure a strict prohibition on carcases showing any faecal contamination being health-marked for human consumption.

6. Animal Welfare

To ensure that the Welfare at Slaughter and Killing Regulations 1995 are enforced in licensed slaughterhouses and to maintain effective monitoring of compliance; to carry out an animal welfare survey in all slaughterhouses by the end of the year.

Efficiency

7. To develop new efficiency indicators that will apply from 1 April 2000.

Financial Performance

8. To charge costs to industry

To charge plant operators the recoverable costs (calculated in accordance with the relevant legislation and accruals accounting and Industry Charges Guide) of providing the statutory health inspection at fresh meat premises.

9. To recover full costs from Government

To recover from Government Departments, Agencies and the Intervention Board the full economic costs (calculated in accordance with the relevant charging legislation and accruals accounting) of providing agreed services or other work undertaken on their behalf.

10. To comply with cash restraints

To operate within 95 per cent. and 100 per cent. of allocations by the MAFF Management Board for running costs, capital and receipts.

Veterinary Medicines Directorate

Mr. Dobbin: To ask the Minister of Agriculture, Fisheries and Food what performance targets he has set the Veterinary Medicines Directorate for 1999–2000. [83053]

Mr. Nick Brown: I have set the Veterinary Medicines Directorate the following performance targets for 1999–2000.

Safety and Quality

1. To provide high quality scientific assessment work.
2. To provide high quality policy advice to Ministers.
3. To enter Suspected Adverse Reactions Surveillance Scheme (SARSS) reports onto the database as follows:

   Human SAR reports: within 2 working days

   Serious animal reports: within 2 working days

   Non-serious animal reports: within 10 working days
4. To report to the Veterinary Products Committee each quarter reviewing trends in SARSS reports and identifying areas requiring evaluation.
5. To collect 100 per cent. and analyse at least 95 per cent. of the samples collected in the national residues surveillance plan.

Standards of Service

6. 100 per cent. compliance with timetables for Centralised and Decentralised authorisation procedures (including Maximum Residue Limits).
7. 92 per cent. of new Marketing Authorisations to be determined or referred to VPC within 120 clock days.
8. 100 per cent. of new Marketing Authorisations to be determined within 210 clock days.
9. 100 per cent. of valid variation applications to have first assessment by 75 clock days and to be determined by 150 clock days.
10. 100 per cent. of valid renewal applications to have first assessment by 90 clock days and to be determined by 180 clock days.

Efficiency

11. To develop new efficiency indicators that will apply from 1 April 2000.

Financial Control

12. To recover from industry and Government the full economic cost (calculated according to accruals accounting) of each of its main business activities of:

    licensing and surveillance

    policy work

    residue monitoring

13. To operate within 95 per cent. to 100 per cent. of allocations by MAFF Management Board for running costs, capital and receipts.

PRESIDENT OF THE COUNCIL

Special Advisers

Mr. Tyrie: To ask the President of the Council, pursuant to her answer of 18 March 1999, *Official Report*, column *711*, on special advisers, if she will give the total travel cost of each occasion when *(a)* departmental and *(b)* non-departmental advisers travelled abroad in an official capacity since 2 May 1997 and the place visited. [82435]

Mrs. Beckett: In the period from 2 May 1997 to 31 March 1999 Special Advisers in my Department travelled overseas in an official capacity on one occasion, to France, Belgium and the Netherlands. The total cost of travel and hotel accommodation was £463.07. All travel complied with the requirements of the *Ministerial Code* and the *Civil Service Management Code*.

HOUSE OF COMMONS

Immigration and Asylum Bill Special Standing Committee

Mr. Lock: To ask the President of the Council what was the total cost to public funds of the afternoon sitting of the Special Standing Committee on the Immigration and Asylum Bill on 20 April. [82207]

Mrs. Beckett: The additional costs incurred were mainly for catering staff overtime, and some minimal costs for committee staff and security. It is not possible to identify the specific additional cost of running this committee to public funds because it is not the House's practice to analyse day to day running costs.

European Community Documents

Mr. Bercow: To ask the President of the Council, pursuant to her answer to the hon. Member for Great Grimsby (Mr. Mitchell) of 14 April 1999, *Official Report*, column *275*, if she will place her full reply in the Library. [82297]

Mrs. Beckett: When I reply to my hon. Friend the Member for Great Grimsby (Mr. Mitchell), I shall, of course, ensure a copy is placed in the Library of the House.

Written Answers to Questions

Friday 30 April 1999

SOCIAL SECURITY

Winter Allowance

Mr. Burstow: To ask the Secretary of State for Social Security what estimate he has made of *(a)* the cost of paying the £100 winter allowance through the basic state pension and *(b)* the cost of paying the winter allowance separately. [82283]

Angela Eagle: I refer the hon. Member to the written answer I gave to the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) on 28 April 1999, *Official Report*, columns *168–69*.

Birth Certificates

Mr. Rendel: To ask the Secretary of State for Social Security if he will list the purposes for which his Department and its Executive Agencies require a birth certificate to be provided by *(a)* employees, *(b)* contractors, *(c)* those applying for employment or contracts and *(d)* other persons. [82768]

Mr. Timms: This Department and its Agencies require new employees to provide proof of identity and their date of birth, and the provision of their birth certificate is one means of doing this. However, a birth certificate is required only in the absence of other documentation, usually a passport. The Department and its Executive Agencies do not ask for birth certificates from contractors or from those seeking a contract.

The Benefits Agency does not insist on seeing birth certificates of new claimants of social security benefits to verify their identity, except when they are claiming certain benefits such as retirement pensions and child benefit. For other social security benefits, other forms of documentation are also acceptable.

The Child Support Agency will ask for sight of a qualifying child's birth certificate where there is a paternity dispute to establish whether or not the non-resident parent is shown on the birth certificate. It is unlikely that the Agency will request a birth certificate in any other circumstances, as the dates of birth of qualifying children are verified for the purposes of child benefit.

Special Advisers

Mr. Tyrie: To ask the Secretary of State for Social Security, pursuant to his answer of 18 March 1999, *Official Report*, column *791*, on Special Advisers, if he will give the total travel cost of each occasion when *(a)* departmental and *(b)* non-departmental advisers have travelled abroad in an official capacity since 2 May 1997 and the place visited. [82418]

Mr. Timms: For the period 2 May 1997 to 31 March 1999, Special Advisers in this Department have travelled overseas in an official capacity on one occasion to Brussels. The total cost, for a party of four, for travel and any hotel accommodation was £642. All travel complied with the requirements of the Ministerial Code and the Civil Service Management Code.

AGRICULTURE, FISHERIES AND FOOD

Fisheries Inspectorate

Mr. Steen: To ask the Minister of Agriculture, Fisheries and Food how many vessels from each EU country have been *(a)* monitored and *(b)* boarded by his Department's Fisheries Inspectorate in British territorial waters in the last two years; and if he will make a statement. [82566]

Mr. Morley: The UK has exclusive fishing rights within the UK 0–6 mile limits and there is only limited access for other Community fishing vessels within our 12 mile limits. It follows that the majority of enforcement activity within the territorial waters adjacent to England and Wales involves UK fishing vessels.

Details of sightings and boardings of fishing vessels in British Fishery Limits adjacent to England and Wales are held by the Ministry. However, this information is not recorded in a way which would enable detailed information to be provided in respect of the territorial waters adjacent to England and Wales without incurring disproportionate cost.

Competitive Bidding

Mr. Öpik: To ask the Minister of Agriculture, Fisheries and Food how many bids from farmers and farming organisations were *(a)* received and *(b)* successful in each of the competitive bidding processes launched and managed by his Department since May 1997. [82463]

Mr. Morley *[holding answer 28 April 1999]:* The information requested can be provided only at disproportionate cost.

Culling Trials

Mr. Caplin: To ask the Minister of Agriculture, Fisheries and Food if he will make a statement on the next areas to be brought into the randomised culling trial. [83267]

Mr. Rooker: Using the criteria set out in their report of last July, the Independent Scientific Group on Cattle TB has now identified the fourth triplet of trial areas. It is located in east Herefordshire and work will begin there shortly.

DEFENCE

Air Brigades

Mr. Brazier: To ask the Secretary of State for Defence what is the readiness time for 5 Airborne Brigade; and what is the estimated deployment time for 16 Air Assault Brigade. [82347]

Mr. Doug Henderson *[holding answer 27 April 1999]:* Under current plans, 5 Airborne Brigade will cease to exist on 1 September 1999, and the command of the Airborne Battle Group will transfer to 16 Air Assault Brigade. The Airborne Battle Group will be maintained at the same very high readiness by 16 Assault Brigade as it is currently maintained by 5 Airborne Brigade. I am withholding more detailed information on readiness states under Exemption 1 of the Code of Practice on Access to Government Information.

Army Base Repair Organisation

Mr. Ben Chapman: To ask the Secretary of State for Defence what key targets have been set for the Chief Executive of the Army Base Repair Organisation for 1999–2000. [83229]

Mr. Doug Henderson: The Chief Executive of the Army Base Repair Organisation has been set the following 5 Key Targets for 1999–2000.

To complete 95 per cent. of all programmes within the plan agreed with the customers; to complete 95 per cent. of district load tasks within the turnaround times agreed with the customer unit;to drive down the cost of repairs, by 3 per cent. in real terms, for financial year 1999–2000; to reduce the cost of reworking returned faulty equipment by 3 per cent., in real terms, for financial year 1999–2000; and to develop a trading mechanism with the owner and other parts of MOD, as part of the transition to full Trading Fund status, by 31 March 2000.

Low Flying

Mr. Laurence Robertson: To ask the Secretary of State for Defence what discussions he has had with the Chief Executive of Gloucestershire airport about low flying by military aircraft. [82767]

Mr. Spellar: None.

FOREIGN AND COMMONWEALTH AFFAIRS

Kosovo

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the mandate of the EU Special Envoy for Kosovo; what is his budget; and what level of assistance has been provided to him to date. [82234]

Mr. Tony Lloyd: On 5 October 1998, the European Council nominated Mr. Wolfgang Petritsch as EU Special Envoy to Kosovo to act on the spot for the EU under the direction of the Presidency and in close co-ordination with the EU Special Representative for the Federal Republic of Yugoslavia (FRY).

In order to provide the EU Special Envoy with the human and logistical resources needed to carry out his functions, the Presidency presented a Joint Action which allocated a sum of euro 510,000 to cover the costs related to Mr. Petritsch's mission.

The action was adopted on 25 March 1999. The action shall apply until 30 September 1999, unless renewed subject to a review including administrative and financial aspects.

Official Vehicles

Mr. Hoyle: To ask the Secretary of State for Foreign and Commonwealth Affairs how many ambassadors' and high commissioners' cars were made *(a)* in the UK and *(b)* outside the UK. [82559]

Mr. Fatchett: The Foreign Office has 215 flag cars in operation at Embassies and High Commissions overseas. These include protected and non-protected vehicles. There are presently 204 (95 per cent.) flag cars which have either been built in the UK and exported or built in the UK but bought locally. The Foreign Office has 11 flag cars which are non-UK built vehicles.

Mr. Hoyle: To ask the Secretary of State for Foreign and Commonwealth Affairs what proportion of vehicles used by *(a)* diplomatic posts and *(b)* Government departments overseas are (i) British manufactured and (ii) non-British manufactured. [82558]

Mr. Fatchett: Of the 1,202 vehicles currently supplied to diplomatic Posts overseas, 61.6 per cent. are British manufactured and 38.4 per cent. non-British manufactured. The information to answer part *(b)* of this question is not centrally held.

Yugoslavia (Oil Embargo)

Mr. Alan Johnson: To ask the Secretary of State for Foreign and Commonwealth Affairs when the EU oil embargo against the Federal Republic of Yugoslavia came into force; and if he will make a statement. [83228]

Mr. Tony Lloyd: On 23 April, the Council of the EU adopted a Common Position (1999/273/CFSP) prohibiting the sale or supply of petroleum and petroleum products to the Federal Republic of Yugoslavia.

Following from this Common Position, the EC adopted a Regulation on 26 April. The Regulation prohibits

(a) the sale, supply or export, directly or indirectly, of certain petroleum and petroleum products listed in an Annex to the Regulation, whether or not originating in the Community, to any person or body in the FRY or to any person or body for the purpose of any business carried on in, or operated from the territory of the FRY;

(b) the shipping of such products to the territory of the FRY

(c) participation in related activities the object or the effect of which is to promote the transactions or activities referred to under (a).

The Regulation includes exemptions, under certain conditions, for the sale, supply or export of petroleum and petroleum products for the use of diplomatic and consular missions of EU Member States; for the use of a future international military presence; and for humanitarian purposes.

The Regulation applies within the territory of the Community, including its air space and on board any aircraft or any vessel under the jurisdiction of a Member State and to any person elsewhere who is a national of a Member State and any body which is incorporated or constituted under the law of a Member State.

The Regulation will enter into force on 1 May and is directly applicable in the UK. Legislation introducing licensing and enforcement provisions, including penalties, will come into force the same day.

Pakistan

Mrs. Gillan: To ask the Secretary of State for Foreign and Commonwealth Affairs what assessment he has made of the impact on Pakistan's political stability of the Taliban movement. [82874]

Mr. Fatchett: We are concerned about the impact on regional security of the continued conflict and instability in Afghanistan. I discussed this issue with the Pakistani authorities when I visited Pakistan in February. I urged them to use any influence they had with the Taliban and other factions to encourage a peaceful and lasting settlement in Afghanistan.

Mrs. Gillan: To ask the Secretary of State for Foreign and Commonwealth Affairs what advice he has given to the High Commission in Pakistan regarding relations with *(a)* MQM and *(b)* Mohajirs; and if he will make a statement. [82876]

Mr. Fatchett: In line with our policy of dialogue with all ranges of political opinion in Pakistan, the British High Commission in Islamabad and Deputy High Commission in Karachi regularly meet representatives of both the MQM and the wider Mohajir community.

Ministerial Visits

Mrs. Gillan: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans he has for ministerial visits to *(a)* Pakistan and *(b)* India. [82873]

Mr. Fatchett: Neither I nor my right hon. Friend the Foreign Secretary has current plans to visit India and Pakistan.

Spain

Mrs. Gillan: To ask the Secretary of State for Foreign and Commonwealth Affairs how many United Kingdom citizens over the age of *(a)* 75 and *(b)* 80 years are serving jail terms in Spain. [82877]

Mr. Fatchett: There are at present no British prisoners over the age of 75 in Spanish jails.

Ikbalbhai Chandubhai Khalifa

Mr. Rooney: To ask the Secretary of State for Foreign and Commonwealth Affairs when a decision will be made on the settlement application made by Ikbalbhai Chandubhai Khalifa, Bombay reference AP/98/5/145. [82754]

Mr. Fatchett: A decision was made on this application on 19 April. We have asked our Deputy High Commission in Bombay for full details. My noble Friend the Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs, Baroness Symons, will be writing to my hon. Friend as soon as possible.

TRADE AND INDUSTRY

EU Industry Council

Mr. Maclean: To ask the Secretary of State for Trade and Industry if he will publish the agenda for the forthcoming EU Industry Council of 29 April. [82178]

Mr. Byers: The Industry Council on 29 April 1999 covered a number of issues, the principal of which were:

Open debate on the competitiveness of EU industry in the light of globalisation.

Possible political agreement on proposals to amend Council Regulations 199/65/EEC and 17/62/EEC (Vertical Restraints Block Exemption Enabling Regulations).

Possible political agreement on a Common Position on draft Directive on the Late Payment of Commercial Debt.

Political Party Donations

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will make it his policy to introduce legislation to require companies to undertake a ballot of all employees before making donations to political parties. [82640]

Mr. Ian McCartney: The Government do not see a case for requiring companies to ballot employees before making donations to political parties. They have accepted the recommendation of the Committee on Standards in Public Life that there should be a legal obligation on companies intending to make a political donation to have the prior authority of their shareholders, and have published a consultative document seeking views on the implementation of the Committee's recommendations.

Auditing Regulation

Mr. Mitchell: To ask the Secretary of State for Trade and Industry how many organisations will be *(a)* directly and *(b)* indirectly responsible for regulating auditors under his Department's proposals for regulating accountancy and auditing. [82548]

Mr. Ian McCartney: The new framework for the regulation of the accountancy profession, which I announced on 28 April, does not affect the bodies recognised under the Companies Act 1989 to supervise auditors, of which there are at present five. However, the framework establishes three new independent boards covering ethical standards, investigation and discipline, and auditing standards, which largely replace existing bodies and whose work will underpin particular aspects of auditor regulation. These bodies will come under the scrutiny of a new independent Review Board and appointments to them, and to the Review Board, will be made by an independent Foundation.

Inspectors (Accountancy Business Connections)

Mr. Mitchell: To ask the Secretary of State for Trade and Industry how many inspectors currently deployed to carry out investigations under the Companies Acts, the Financial Services Act 1986, the Insolvency Acts and the Insurance Companies Acts have business connections with accountancy firms criticised in previous DTI inspectors' reports. [82651]

Dr. Howells: Currently, one Inspector is from a firm which was criticised in the Inspectors' report on The Bestwood plc, published in 1994. This report deals with events which took place before 1990.

Securities (Disclosure Compensation)

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will seek to introduce a section equivalent to section 150 of the Financial Services Act 1986 to the Companies Acts. [82647]

Mr. Ian McCartney: The Government currently have no plans to introduce legislation to this effect. However, the roles and liabilities of directors and auditors will be examined as part of the Company Law Review.

Treaty of Amsterdam

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will list each of the new responsibilities which he will assume when the signed Treaty of Amsterdam takes effect and for each *(a)* the likely effect on departmental staffing, *(b)* the bodies or persons in the European Union principally concerned and *(c)* the relevant section of that treaty and the consolidated treaties of the European Union and European Community. [80408]

Mr. Byers: The Treaty of Amsterdam will have minimal impact on the responsibilities of the Department.

PRIME MINISTER

Anglo-Spanish Working Group

Mr. Bercow: To ask the Prime Minister if he will make a statement on the *(a)* mandate, *(b)* membership and *(c)* frequency of meetings of the Anglo-Spanish Working Group on Employment and Economic Reform. [82235]

The Prime Minister: The British-Spanish Working Group on Employment and Economic Reform complements and builds upon existing British-Spanish bilateral co-operation on labour market reform. As stated in the Declaration on Employment and Economic Reform agreed at the British-Spanish Summit on 10 April, the Working Group will promote all aspects of co-operation between the two countries regarding economic reform.

The Working Group will be co-ordinated at Ministerial level. The UK co-ordinator will be my hon. Friend the Economic Secretary to the Treasury. The detail and timing of meetings are currently under discussion with the Spanish government.

Cabinet Meetings

Mrs. Gillan: To ask the Prime Minister for what reason the Cabinet meeting scheduled for 22 April was cancelled; and on how many occasions since 1969 Cabinet meetings have been cancelled. [82878]

The Prime Minister: It is established practice under section 2 of the Code of Practice on Access to Government Information not to disclose information relating to proceedings of Cabinet and Cabinet Committees. The Cabinet usually, but not invariably, meets once a week when Parliament is in session.

Steven Hayden

Mr. Hague: To ask the Prime Minister if he has decided to refer the case of Chief Petty Officer Steven Hayden to the Security Commission. [83230]

The Prime Minister: After consulting the Chairman of the Security Commission and the right hon. Gentleman, I have decided to refer this case to the Security Commission. The terms of reference will be:

> "To investigate the circumstances in which breaches of security have or may have occurred arising out of the case of Chief Petty Officer Steven Hayden, who was convicted on 23 October 1998 of offences under Section 1 of the Official Secrets Act 1989; and to advise in the light of that investigation whether any change in security arrangements is necessary or desirable."

LORD CHANCELLOR'S DEPARTMENT

Judiciary (Speeches)

Mr. Dismore: To ask the Minister of State, Lord Chancellor's Department what advice his Department gives to members of the judiciary as to the content of speeches, with reference to language that could be interpreted as discriminating on grounds of sex, race or sexuality. [82825]

Mr. Hoon: The Lord Chancellor expects judges to exercise personal responsibility in such matters, in order to ensure that nothing they say or do undermines the image of the judiciary as being impartial and even-handed towards all members of the community.

Conditional Fees (Insurance)

Sir Nicholas Lyell: To ask the Minister of State, Lord Chancellor's Department, pursuant to his answer of 20 April 1999, *Official Report*, column *534*, if he will place in the Library copies of such written details of the insurance products to support the use of conditional fees as have been received by his Department from the providers listed. [82472]

Mr. Hoon: I have today placed in the Library copies of information on the relevant insurance products provided by:

First Assist;

Litigation Protection Ltd.; and

Greystoke Legal Services.

Copies of information on the insurance products provided by:

Collegiate Insurance Brokers Ltd.;

Abbey Legal Protection;

Amicus;

Eastgate Assistance; and

Saturn Professional Risks Ltd.

have been requested from the companies. These will be placed in the Library on receipt and I will write to the right hon. and learned Gentleman.

CULTURE, MEDIA AND SPORT

Macpherson Inquiry

Mr. Efford: To ask the Secretary of State for Culture, Media and Sport what assessment he has made of the implications for his Department of the Macpherson inquiry recommendations; and if he will make a statement. [80537]

Janet Anderson: I refer my hon. Friend to the reply given by my right hon. Friend the Minister for the Cabinet Office on 14 April 1999, *Official Report*, columns *238–39*.

My Department has a major part to play in helping to build an inclusive and diverse society. We are seeking to secure race equality and cultural diversity objectives in the funding agreements made between DCMS and its sponsored bodies; in monitoring the Lottery distributors' new strategies; in setting the agenda of the new DCMS regional consortiums and in encouraging the development of local authority cultural strategies. I am following developments in the media as broadcasters and programme makers examine their role in engaging ethnic minorities as audiences and in creative roles. My Department has enlisted the support of prominent sports people and clubs in portraying racism in sport as unwanted and unacceptable.

The Permanent Secretary has signed, on behalf of the Department for Culture, Media and Sport, the joint Charter for Action to redress the under-representation of ethnic minorities in the Senior Civil Service (SCS). The Department has adopted the targets for ethnic minorities in the Senior Civil Service (3.5 per cent. by 2005) published in the modernising government White Paper. The Department is considering a number of measures aimed at increasing representation in the higher grades, including the development of staff with potential in the feeder grades and more direct recruitment at higher levels.

Seaside Amusement Machines

Mr. Maude: To ask the Secretary of State for Culture, Media and Sport what representations he has received regarding seaside amusement machines; and if he will make a statement. [82316]

Mr. Alan Howarth: My Department has received no recent representations. The Government recognise the popularity of amusement machines as entertainment for local residents and holidaymakers.

Mr. Maude: To ask the Secretary of State for Culture, Media and Sport what assessment his Department has made of the effects of an increase in the taxation of seaside amusement machines on his policy with regards to historic seaside piers. [82315]

Mr. Alan Howarth: My Department has made no such assessment. Questions on taxation are a matter for Treasury Ministers.

HEALTH

Residential Care

Mr. Cox: To ask the Secretary of State for Health when his Department last reviewed the funding by local authorities towards the cost of people previously resident in their area who are in private residential or nursing home care; and if he will make a statement. [80026]

Mr. Hutton: Local authority funding was given priority in the Government's recent Comprehensive Spending Review of all public expenditure. The Chancellor of the Exchequer announced in July 1998 that almost £3 billion extra would be provided for Personal Social Services over the next three years.

These additional resources year on year will enable authorities to plan and commission more effectively the range of services, including residential and nursing home care, required by vulnerable people.

Waiting Lists

Mr. Hammond: To ask the Secretary of State for Health what has been the change in the number of patients on NHS waiting lists waiting 12 months or longer since 1 May 1997. [80287]

Mr. Denham *[holding answer 13 April 1999]:* Between March 1996 and March 1997 (the latest figures available on 1 May 1997), the total number of patients on National Health Service waiting lists for 12 months or longer rose from 3,600 to 30,200. It continued to rise until June 1998 [to 72,100]. It has since fallen by 29 per cent. (21,200), to stand at 50,900 by the end of February 1999. We fully expect this downward trend to continue.

Miss Widdecombe: To ask the Secretary of State for Health if he will list the reports he has commissioned into reducing waiting lists, including the dates when they were received. [80280]

Mr. Denham *[holding answer 13 April 1999]:* In January 1998, the Department commissioned a report from Professor John Yates of the Inter-Authority Comparisons and Consultancy, at the University of Birmingham's Health Services Management Centre, on waiting times in the Ear, Nose and Throat specialty. The report was received by the Department in March this year.

Haemophilia and Hepatitis C

Sir Geoffrey JohnsonSmith: To ask the Secretary of State for Health on what number of people with haemophilia and hepatitis C the assumptions are based on which his estimate of the cost of a financial assistance scheme is founded; if his estimate of the costs of such a scheme includes amounts of money for *(a)* payments for all and *(b)* a hardship fund; and how much he has assumed would be applied for each; over how many years such expenditure would be spread; what are the estimated costs in the first year; and what figure for first year start up costs he has included in his estimate. [80463]

Mr. Hutton: The estimate was based on approximately 3,000 people and the overall expenditure to date on the special payment scheme for those with haemophilia infected with HIV through national Health Service treatment with blood products. The estimates did not include start-up costs or the costs of managing the process.

Community Health Councils

Mr. Gibb: To ask the Secretary of State for Health what is his policy regarding the future of community health councils; and if he will make a statement. [81708]

Mr. Denham: No immediate changes to the role of community health councils are planned.

NHSnet (Running Costs)

Jane Griffiths: To ask the Secretary of State for Health what were the *(a)* development and *(b)* running costs of

the NHSnet in each of the last five years; what are the forecast costs for the next two years; and if he will make a statement. [81644]

Mr. Denham: NHSnet is provided to National Health Service organisations as a service by commercial contractors who funded its development and meet its running costs: those costs are, therefore, confidential to the contractors.

Individual NHS organisations are charged by the contractors for NHSnet connections and for the messages they send over NHSnet.

Until 31 March 1999, bills for these charges were met by individual NHS users. The estimated total charges for the last four years are as follows (NHSnet has been in use only since 1995–96):

Estimated total charges (£ million)

Year	*NHSnet connections*	*Messaging*
1995–96	0.275	0.013
1996–97	1.900	0.113
1997–98	3.000	0.661
1998–99	4.400	1.500

From 1 April 1999, the charges for NHSnet are being met centrally, as recommended in "Information for Health", the new NHS Information Strategy published in September 1998. The estimates for the next two years are:

Estimated total charges (£ million)

Year	*NHSnet connections*	*Messaging*
1999–2000	8.800	4.300
2000–01	15.800	5.500

Primary Care Groups

Jackie Ballard: To ask the Secretary of State for Health if the annual reports on clinical governance from primary care groups will be required to include reports on the management of chronic illness. [81866]

Mr. Denham: Clinical governance reporting requirements for National Health Service organisations in 1999–2000 were set out in the document "Clinical Governance: Quality in the new NHS", published under cover of HSC 1999/065 on 16 March 1999.

Primary care groups are required to undertake an assessment of the current provision, produce plans to rectify shortfalls in quality and report on progress. Where there are quality shortfalls in the management of chronic illnesses, primary care groups will be required to report on them through this mechanism.

"National Framework for Mental Health"

Mr. Hesford: To ask the Secretary of State for Health when he expects "National Service Framework for Mental Health" to be published; and if he will make a statement. [81984]

Mr. Hutton: An exact date has not been set for the publication of the mental health national service framework. We expect the framework to be published in the next couple of months.

Health Provision (Colchester)

Mr. Bob Russell: To ask the Secretary of State for Health (1) if he will make a statement on his powers in relation to the decision of the former North Thames Regional Health Authority to retain a cancer centre at Colchester, and to build a new centre of excellence in the town, and the role of the Eastern Region Health Authority; [82219]

(2) what discussions his Department has held over the possible transfer of the cancer centre in Colchester to Ipswich. [82218]

Mr. Hutton: No decision was made by the former North Thames Regional Office of the National Health Service Executive to designate Colchester General Hospital as a cancer centre or to approve a capital investment programme.

Prior to receipt of any proposed business case, the Eastern Regional Office of the NHS Executive, in agreement with all interested parties, is conducting a review of cancer services across Suffolk and North Essex to determine the most appropriate way in which cancer services can be provided to local people.

Easington Primary Care Group

Mr. Cummings: To ask the Secretary of State for Health how may GPs are expected to retire over the next five years in the Easington primary care group and if he will make a statement. [82299]

Mr. Denham: The information held centrally is classified by health authority and not by primary care group, and the latest figures for County Durham Health Authority are shown in the table. My hon. Friend may wish to approach the health authority for information about the Easington primary care group.

Age groups of unrestricted principals in County Durham Health Authority as at 1 October 1997

Age group	*Number*
Under 30	2
30–39	119
40–49	123
50–59	65
Over 60	7
Total	316

Source:
Department of Health GMP Census

Pacemakers

Ms Bridget Prentice: To ask the Secretary of State for Health if the Medical Devices Agency has a record of patients with pacemakers in England and Wales; and if he will make a statement. [82398]

Ms Jowell: Pacemaker patient records are not held by the Medical Devices Agency. Patients implanted with pacemakers are registered with the National Pacemaker Database (NPD), using data supplied by implanting hospitals on a voluntary basis.

In a survey conducted by the NPD in 1997, it was estimated that in 1996 approximately 94 per cent. of all pacemaker implants were recorded on the database.

Ms Bridget Prentice: To ask the Secretary of State for Health how many Siemens Sensolog 2033T pacemakers have been supplied by the NHS for use in England and Wales. [82402]

Ms Jowell: The Department does not hold this information. However, the National Pacemaker Database has 377 United Kingdom patients (including implants under the National Health Service and in private practice) registered as having received a Sensolog 2033 pacemaker implant, 268 of which are for the 2033T. The suffix T refers only to the configuration of the pacemaker connector into which the pacemaker lead is attached.

Ms Bridget Prentice: To ask the Secretary of State for Health what plans he has to review the regulations regarding the recording of patients with pacemakers. [82397]

Ms Jowell: We have no plans to review current arrangements for the recording of patients with pacemakers. The maintenance of patient records is a matter of clinical practice and is not subject to regulation. The voluntary recording of pacemaker implants by clinicians with the National Pacemaker Database is endorsed by the British Pacing and Electrophysiology Group, the professional body for clinicians practising cardiac pacing.

Ms Bridget Prentice: To ask the Secretary of State for Health if he will list *(a)* the companies which manufacture pacemakers supplied by the NHS and which are used by patients in England and Wales, *(b)* the type of pacemaker supplied by the NHS and *(c)* the number of patients who use each type. [82403]

Ms Jowell: Information recorded by the National Pacemaker Database indicates that the following companies have, at some time, supplied pacemakers to United Kingdom pacing centres: Medtronic, Pacesetter (St. Jude Medical), Vitatron, CPI Guidant, Biotronik, Siemens, Sultzer Intermedics, Telectronics, Sorin Biomedica, ELA, Cordis, Biotec, Medico, Implantronik, APC Medical, Paladin, Precimed, Medcor, LEM, American Optical, Coratomic, Arco, Cardiac Control Systems, Lucas, Corporel. A number of these companies no longer supply pacemakers today.

Information relating to the types and numbers of pacemakers supplied by individual manufacturers is not published because of commercial sensitivity.

Ms Bridget Prentice: To ask the Secretary of State for Health when the Siemens Sensolog 2033T pacemaker was withdrawn from sale; and when the Medical Devices Agency was informed of its withdrawal. [82400]

Ms Jowell: The manufacturer last sold this pacemaker in the United Kingdom in 1994, when it was superseded by a newer model. The Medical Devices Agency was not informed as the discontinuation was for commercial reasons and not in response to any known safety concerns.

Ms Bridget Prentice: To ask the Secretary of State for Health what is the procedure for alerting patients who have pacemakers which are withdrawn from supply because of faults in manufacture. [82399]

Ms Jowell: Pacemaker manufacturers are primarily responsible for issuing information to hospitals if a fault associated with any of their products is identified. If the Medical Devices Agency determines that a significant risk remains to the safety of pacemaker patients, it issues advice to clinicians at all United Kingdom pacing clinics to assist them in patient management. Clinicians are responsible for providing appropriate advice to their patients.

Ms Bridget Prentice: To ask the Secretary of State for Health how many Siemens Sensolog 2033T pacemakers have been referred to the Medical Devices Agency as having faults. [82401]

Ms Jowell: Only one United Kingdom adverse incident involving the Sensolog 2033 pacemaker model (including the 2033T) has been reported to the Medical Devices Agency.

Oral Cancer

Mr. Gordon Prentice: To ask the Secretary of State for Health (1) if he will list by health authority, ranked in descending order, the number of people, and the percentage of the population served by the authority, who have been diagnosed as having *(a)* treatable and *(b)* untreatable oral cancers in the last 12 months for which figures are available; [82332]

(2) what estimate he has made of the number of oral cancers which were identified as such by a dentist *(a)* at an early and treatable stage and *(b)* at an advanced stage, in the last 12 months for which figures are available; and if he will make a statement. [82334]

Mr. Denham: The table gives details of hospital treatments for conditions which are usually described as oral cancers. Information is not routinely collected on sources of referrals or their prognosis.

Ordinary admissions and day cases combined: completed episodes by primary diagnosis and age
NHS hospitals, England, 1997–98

	All ages
C00 Malignant neoplasm of lip	454
C01 Malignant neoplasm of base of tongue	606
C02 Malignant neoplasm of other and unspecified parts of tongue	2,082
C03 Malignant neoplasm of gum	326
C04 Malignant neoplasm of floor of mouth	980
C05 Malignant neoplasm of palate	548
C06 Malignant neoplasm of other and unspecified parts of mouth	878
Total (C00-C06)	5,874

Note:
Figures are provisional, no adjustments have yet been made for shortfalls (i.e. the data is ungrossed). The table shows numbers of finished consultant episodes (FCEs) by primary diagnosis and age, in NHS hospitals in England for the financial year 1997–98. An FCE is defined as a period of patient care under one consultant within one healthcare provider. Please note that the figures do not represent the number of patients, as a person may have more than one episode of care within a year.

Source:
Department of Health, Hospital Episode Statistics (HES)

Dental Services

Mr. Gordon Prentice: To ask the Secretary of State for Health how many dental practices have closed in each year since 1990 as a result of *(a)* retirement of the dentist and *(b)* the inability of the dentist to sell the practice as a going concern. [82331]

Mr. Denham: Dentists are independent contractors, and we do not therefore have information on the reasons for the closure of practices.

Princess Diana (Memorial)

Mrs. Organ: To ask the Secretary of State for Health (1) what steps the Government are taking to ensure that the introduction of the Princess Diana Memorial Nursing Service does not harm the fundraising efforts of charities already providing community outreach nursing services for children with life threatening illnesses; [82277]

(2) what steps he plans to take to emphasise the distinction between the activities of the Princess of Wales Memorial Committee and the charitable activities of the Diana Princess of Wales Memorial Fund; [82278]

(3) what representations from other medical charities he has received concerning the introduction of the Princess Diana Memorial Nursing Service. [82279]

Mr. Hutton: Diana Children's Community Nursing Teams are funded by the Government to provide care and support in the home for children with life threatening illnesses and their families. The teams do not depend upon public subscription and will not impact upon the fundraising activities of charities already active in this area—who have welcomed this initiative for the additional resources it brings to this small but extremely vulnerable group of children. The distinction to be made between the Memorial Committee, which was formed to consider ways in which the Government might commemorate the life and work of Diana, Princess of Wales, and the Memorial Fund, which is a charitable foundation with its own trustees, has been expressed throughout discussions within the Committee and repeated in communications with the media.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Peterborough Chamber of Commerce

Sir Brian Mawhinney: To ask the Secretary of State for the Environment, Transport and the Regions what discussion the Under-Secretary of State, the hon. Member for Mansfield (Mr. Meale), had with the hon. Member for Peterborough (Mrs. Brinton) concerning their respective times of departure from the Peterborough Chamber of Commerce's conference on transport on 16 April. [81675]

Mr. Prescott *[holding answer 22 April 1999]:* None.

Sir Brian Mawhinney: To ask the Secretary of State for the Environment, Transport and the Regions for what reasons the Under-Secretary of State, the hon. Member for Mansfield, (Mr. Meale) withdrew his agreement to answer questions at the Peterborough Chamber of Commerce conference on transport, on Friday 16 April. [81671]

Mr. Prescott *[holding answer 22 April 1999]:* Because of the late starting of the conference, there was insufficient time for my hon. Friend to take questions. He therefore offered to respond in writing to any questions that people wished to raise.

Sir Brian Mawhinney: To ask the Secretary of State for the Environment, Transport and the Regions if he instructed the Under-Secretary of State, the hon. Member for Mansfield, (Mr. Meale) not to answer questions at the Peterborough Chamber of Commerce's conference on transport on Friday 16 April and to leave early; and what discussions he had with the Under-Secretary of State and the hon. Member for Peterborough (Mrs. Brinton) concerning their respective times of departure from the conference. [81676]

Mr. Prescott *[holding answer 22 April 1999]:* No; none.

Sir Brian Mawhinney: To ask the Secretary of State for the Environment, Transport and the Regions if he will place in the Library copies of his replies to the correspondence he has received about the decision by the Under-Secretary of State, the hon. Member for Mansfield (Mr. Meale), not to answer questions following his speech to the Peterborough Chamber of Commerce's conference on transport on Friday 16 April and to leave early. [81674]

Mr. Prescott *[holding answer 22 April 1999]:* No.

Ministerial Visit (Peterborough)

Sir Brian Mawhinney: To ask the Secretary of State for the Environment, Transport and the Regions if he will list the official engagements of the Under-Secretary of State, the hon. Member for Mansfield (Mr. Meale), for Friday 16 April, stating in each case, what time each engagement was scheduled to start and finish and when the Under-Secretary actually arrived and departed. [81670]

Mr. Prescott *[holding answer 22 April 1999]:* My hon. Friend's official engagements on Friday 16 April were "The Southern North Sea—The Next 30 Years" Conference in Great Yarmouth and the Greater Peterborough Chamber of Commerce Transport Conference.

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions for what reason the Under-Secretary of State, the hon. Member for Mansfield (Mr. Meale), travelled to the recent meeting of the Greater Peterborough Commerce, Training and Enterprise Council in a stretch limousine. [82073]

Mr. Prescott *[holding answer 27 April 1999]:* My hon. Friend travelled to Peterborough by public transport. The final two miles of his journey was by car, which was provided by the Greater Peterborough Chamber of Commerce, Training and Enterprise.

Energy-efficient Lighting

Mr. Edward Davey: To ask the Secretary of State for the Environment, Transport and the Regions what contribution he expects new lighting technologies to make to the achievement of his targets to reduce carbon dioxide emissions; and what plan his Department has to promote energy-efficient lighting: [82139]

Mr. Meale: Our UK Climate Change Programme Consultation Paper discussed and invited comment on ways in which the UK could meet its climate change objectives. Energy efficient lighting is included in this analysis as an element of the estimated potential for savings from energy efficiency more generally. The Government is now considering responses and will consult further on a new climate change programme for the UK later this year. Future initiatives to promote energy efficient lighting will be developed in the context of this process.

Mr. Edward Davey: To ask the Secretary of State for the Environment, Transport and the Regions what proportion of the budget of the Energy, Environment and Waste Directorate is allocated to the promotion of energy-efficient lighting. [82138]

Mr. Meale: Last year, 1998–99, my Department spent an estimated £109.2 million on programmes to promote energy efficiency. Of this, over £6 million can be identified as being specifically earmarked for promotion of energy-efficient lighting. In addition to this direct expenditure, the Energy, Environment and Waste Directorate has developed and provided finance for broader initiatives, including the Market Transformation Strategy and our high profile campaign, "Are You Doing Your Bit", which will have had a positive impact on the promotion of energy-efficient lighting.

During the same period, some £11.6 million was approved for expenditure on promoting energy-efficient lighting under schemes developed as part of the Standards of Performance set by the Director-General of Electricity Supply.

Road Hauliers

Mr. Paul Marsden: To ask the Secretary of State for the Environment, Transport and the Regions if he plans to issue observations on the petition from Shropshire's rural road hauliers presented to the House on 9 March; and if he will make a statement. [82001]

Dr. Reid: The Secretary of State has issued an observation today on the petition from Shropshire's rural road hauliers.

Disabled People (Local Authorities)

Mr. Efford: To ask the Secretary of State for the Environment, Transport and the Regions if he will review the regulations that prevent local authorities from accepting a financial contribution from clients towards the cost of adaptations for the disabled with the objective of allowing them a choice in how their needs are met. [82407]

Mr. Raynsford: Local authorities are responsible, under Part I of the Housing Grants, Construction and Regeneration Act 1996, for paying disabled facilities grants towards the cost of disabled adaptations. Whilst the Act places no restrictions on the type of adaptation that may be eligible for grant assistance, it does require authorities to satisfy themselves that the works are necessary and appropriate for the occupant and that they are reasonable and practicable, given the age and condition of the building. These requirements are necessary to ensure that public money is used effectively, and we have no plans to change them. However, local authorities are required in Guidance to involve the disabled occupant in discussions about the adaptation scheme, and we would expect applicants to be offered a choice where this is appropriate. The amount that the applicant is expected to contribute towards the cost of the adaptations is determined by a means test, but there is nothing in the Act to prevent applicants from paying for additional work from their own resources.

Social Exclusion

Mr. Fearn: To ask the Secretary of State for the Environment, Transport and the Regions what estimate he has made of the fuel escalator's impact on social exclusion. [82257]

Dr. Reid: The Government recognise that transport issues are significant in considering the causes of social exclusion, and my Department has been giving priority to gathering information in this area. The Department is currently undertaking research to gain a better understanding of how transport affects social exclusion. Once this research has been completed, we will be in a better position to estimate the impact of different transport measures. In the meantime, we will continue to keep the impacts of the fuel duty escalator on social exclusion under review.

National Bus Company

Mr. Pike: To ask the Secretary of State for the Environment, Transport and the Regions what recent representations he has received regarding the pension schemes of the National Bus Company; and if he will make a statement. [82532]

Ms Glenda Jackson: We have received a number of representations from former employees of the National Bus Company, and others, about the repayment of the surpluses from the company's pension schemes paid over to the Department of Transport in 1990. We are giving high priority to achieving without any unnecessary delay a just out-of-court settlement of the litigation commenced by the schemes' trustees on this matter.

Jubilee Line Extension

Mr. Ottaway: To ask the Secretary of State for the Environment, Transport and the Regions when he plans to open the Stratford to North Greenwich phase of the Jubilee Line Extension. [82736]

Dr. Reid: As previously indicated in the answers given to the hon. Member by my hon. Friend the Under-Secretary of State for Environment, Transport and the Regions on 27 November 1998, *Official Report*, columns *43–44*, and 4 November 1998, *Official Report*, column *567*, London Transport expects to open the Stratford to North Greenwich phase of the Jubilee Line Extension in late Spring.

Taxis

Mr. Burstow: To ask the Secretary of State for the Environment, Transport and the Regions what assessment he has made of the level of usage of taxi ranks within the Metropolitan Police district by taxis. [82280]

Ms Glenda Jackson: There are currently 523 taxi ranks in the Metropolitan Police District. There is no routine monitoring of their usage; individual ranks may be monitored from time to time, if a need to do so is identified.

Mr. Burstow: To ask the Secretary of State for the Environment, Transport and the Regions (1) if he will list *(a)* the number of licensed taxis entitled to ply for hire in (i) each of the current suburban sectors and (ii) each of the revised suburban sectors proposed by the Carriage Office and *(b)* the number of applications for licences that are currently being considered in suburban sectors; [82281]

(2) if he will list *(a)* the number of taxi ranks by (i) sector and (ii) category within (A) the current Metropolitan Police district and (B) the revised Metropolitan Police district, *(b)* the number of taxis allowed to wait at each rank and *(c)* the number of taxis licensed to ply in the area covered by each rank. [82282]

Ms Glenda Jackson: The number of licensed London taxi drivers entitled to ply for hire in each of the old suburban sectors is as follows:

Sector 1—627 drivers licensed of which*

337 may ply for hire in Sector 1A (Woodford area)

434 may ply for hire in Sector 1B (Romford area)

520 may ply for hire in Sector 1C (Ilford area)

Sector 2—228 licensed drivers of which*

142 may ply for hire in Sector 2A (Bexley area)

165 may ply for hire in Sector 2B (Bromley area)

Sector 3—607 licensed drivers of which*

425 may ply for hire in Sector 3A (Wimbledon area)

270 may ply for hire in Sector 3B (Carshalton area)

392 may ply for hire in Sector 3C (Croydon area)

*Sector 4—243 licensed drivers**

234 may ply for hire in Sector 4A (Kingston area)

136 may ply for hire in Sector 4B (Hounslow area)

*Sector 5—314 licensed drivers**

242 may ply for hire in Sector 5A (Ealing area)

216 may ply for hire in Sector 5B (Ruislip area)

229 may ply for hire in Sector 5C (Wembley area)

*Sector 6—133 licensed drivers**

66 may ply for hire in Sector 6A (Finchley area)

94 may ply for hire in Sector 6B (Wood Green area)

59 may ply for hire in Sector 6C (Walthamstow area)

The number of licensed London taxi drivers entitled to ply for hire in each of the new suburban sectors (introduced on 31 March 1999) is as follows:

Barking and Dagenham, Havering, Newham and Redbridge Sector—627 drivers of whom*

612 may play for hire in Barking and Dagenham

451 may play for hire in Havering

520 may play for hire in Newham

513 may play for hire in Redbridge

*Bexley, Greenwich and Lewisham Sector***

142 drivers may play for hire in Bexley

142 drivers may play for hire in Greenwich

228 drivers may play for hire in Lewisham

*Bromley Sector***

165 drivers may play for hire in Bromley

*Croydon Sector****

392 drivers may play for hire in Croydon

*Merton and Sutton Sector****

452 drivers may play for hire in Merton

452 drivers may play for hire in Sutton

Hounslow, Kingston and Richmond Sector—243 licensed drivers of whom*

135 may ply for hire in Hounslow

233 may ply for hire in Kingston

243 may ply for hire in Richmond

*Hillingdon and Ealing Sector*****

275 drivers may ply for hire in Hillingdon

242 drivers may ply for hire in Ealing

*Harrow, Brent and Barnet Sector*****

255 drivers may ply for hire in Harrow

229 drivers may ply for hire in Brent

117 drivers may ply for hire in Barnet

*Enfield, Haringey and Waltham Forest Sector*****

110 drivers may ply for hire in Enfield

59 drivers may ply for hire in Haringey

59 drivers may ply for hire in Waltham Forest.

The number of applicants for suburban licences who are currently studying the Knowledge are as follows:

Old sector for which applied	*Area for which will ultimately be licensed*	*Total applicants*
1A	Havering and Redbridge	15
1B	Barking and Dagenham and Havering	96
1C	Barking and Dagenham, Newham and Redbridge	211
2A	Bexley, Greenwich and Lewisham	71
2B	Bromley and Lewisham	84
3A	Merton and Sutton	156
3B	Merton and Sutton	43
3C	Croydon	157
4A	Kingston and Richmond	119
4B	Hounslow and Richmond	17
5A	Ealing and Hillingdon	68
5B	Harrow and Hillingdon	35
5C	Brent and Harrow	52
6A	Barnet	21
6B	Barnet and Enfield	34
6C	Enfield, Haringey and Waltham Forest	18

The number of taxi ranks appointed by the Commissioner in each suburban sector of the current Metropolitan Police District is as follows:

Sector 1A: 3

Sector 1B: 16

Sector 1C: 22

Sector 2A: 9

Sector 2B: 13

Sector 3A: 15

Sector 3B: 9

Sector 3C: 14

Sector 4A: 13

Sector 4B: 7

Sector 5A: 4

Sector 5B: 12

Sector 5C: 10

Sector 6A: 4

Sector 6B: 12

Sector 6C: 8.

The number of taxi ranks appointed by the Commissioner in each suburban sector of the revised Metropolitan Police District is as follows:

Sector	*Number*
Barking and Dagenham, Havering, Newham and Redbridge Sector	43
Bexley, Greenwich and Lewisham Sector	13
Bromley Sector	13
Croydon Sector	13
Merton and Sutton Sector	21
Kingston, Richmond and Hounslow Sector	18
Hillingdon and Ealing Sector	7
Harrow, Brent and Barnet Sector	28
Enfield, Haringey and Waltham Forest Sector	22

These figures exclude ranks on land privately owned at airports, railway stations, hotels, and shopping centres which are not appointed by the Commissioner. Details of such ranks are not available.

The number of taxis permitted to stand at each rank varies between 34 and 1.

The number of taxi drivers licensed to ply for hire in the area covered by each rank can be determined from the information above. All drivers licensed for a particular suburban sector may ply for hire on a rank within that sector, as may any driver licensed for the whole of the Metropolitan Police District.

Notes:

* Many suburban drivers are licensed to ply for hire in more than one sub-sector. In addition, all 20,498 All-London drivers are permitted to ply for hire in the whole of the Metropolitan and City Police Districts (therefore, for example, 21,125 drivers may ply for hire in the Barking and Dagenham, Havering, Newham and Redbridge Sector).

** There are 228 drivers licensed for the 2 sectors covering Bexley, Greenwich, Lewisham and Bromley.

*** There are 607 drivers licensed for the 2 sectors covering Croydon, Merton and Sutton.

**** There are 447 drivers licensed for the 3 sectors covering Hillingdon, Ealing, Harrow, Brent, Barnet, Enfield, Haringey and Waltham Forest. Separate figures are not currently available.

Housing Projections

Mr. Oaten: To ask the Secretary of State for the Environment, Transport and the Regions if he will list by local authority the number of houses *(a)* under construction, *(b)* for which planning permission has been given and *(c)* estimated to be built in the next five years. [82708]

Mr. Raynsford: A table will shortly be deposited in the House of Commons Library showing estimates of the number of dwellings under construction for each local authority area in England.

Information on the number of dwellings with outstanding planning permission in England has been placed in the Library.

The Department does not produce forward estimates of the number of dwellings to be built.

Mr. Oaten: To ask the Secretary of State for the Environment, Transport and the Regions if he will list by local authority the projected figures of housing need in each of the next five years, indicating how the figures were produced and collated. [82709]

Mr. Raynsford: This Department does not produce projections of housing need by local authority.

HOME DEPARTMENT

Car Crime

Mr. Mullin: To ask the Secretary of State for the Home Department what steps he has taken to reduce car crime; and if he will make a statement. [82649]

Mr. Boateng: I refer my hon. Friend to the reply given to my hon. Friend the Member for Halesowen and Rowley Regis (Mrs. Heal) on 15 December 1998, *Official Report*, column *467*. Since then, my right hon. Friend the Home Secretary announced to the House on 16 March 1999, *Official Report*, columns 902–04, that an additional £150 million is being allocated over three years to boost crime prevention in areas to which the public have access and where crime is highest. This will be used for closed circuit television systems and the infrastructure necessary to make them operate most effectively and a significant proportion will be used to improve car park security.

Remand Prisoners

Mr. Laurence Robertson: To ask the Secretary of State for the Home Department, pursuant to his answer of 19 April 1999, *Official Report*, columns *419–20*, on remand prisoners, how many (i) untried and (ii) convicted remand prisoners spent *(a)* 0–10 days, *(b)* 11–20 days, *(c)* 21–30 days, *(d)* 31 to 50 days, *(e)* 51 to 100 days, *(f)* 101 to 150 days, *(g)* 151 to 250 days and *(h)* over 250 days in custody in 1998; and what percentage each category represented of the total prison population. [82488]

Mr. George Howarth: The available information relates to the length of time since first remanded into prison and is given in the tables.

Untried prisoners in prisons in England and Wales by length of time since first reception on 30 June 1998

Length of time since first remand into a Prison Service establishment	*Number*	*Percentage of all untried prisoners*	*Percentage of all prisoners*
All lengths	8,358	100	12.7
Up to and including 10 days	1,056	13	1.6
11 to 20 days	950	12	1.4
21 to 30 days	786	9	1.2
31 to 50 days	1,198	14	1.8
51 to 100 days	1,778	21	2.7
101 to 150 days	939	11	1.4
151 to 250 days	939	11	1.4
Over 250 days	712	9	1.1

Convicted unsentenced prisoners in prisons in England and Wales by length of time since first reception on 30 June 1998 [1,2]

Length of time since first remand into a Prison Service establishment	*Number*	*Percentage of all convicted unsentenced prisoners*	*Percentage of all prisoners*
All lengths	4,545	100	6.9
Up to and including 10 days	560	12	0.9
11 to 20 days	639	14	1.0
21 to 30 days	395	8	0.6
31 to 50 days	521	12	0.8
51 to 100 days	817	18	1.2
101 to 150 days	568	13	0.9
151 to 250 days	596	13	0.9
Over 250 days	449	10	0.7

[1] Time since first reception on remand into a Prison Service establishment. This includes any intervening time spent on bail, but excludes time spent in police cells beforehand.
[2] Provisional figures

Kosovar Asylum Seekers

Mr. Gerrard: To ask the Secretary of State for the Home Department (1) what steps he is taking to ensure that family members of Kosovar asylum seekers already in the United Kingdom will be granted family reunion; [81999]

(2) what steps he is taking to accelerate the processing of asylum applications from Kosovars who are already in the UK and have made such applications. [81997]

Mr. Mike O'Brien: We remain committed to the policy of providing support for Kosovar refugees within the region. However, a special unit has been established in Immigration and Nationality Directorate (IND) to enable a flexible response to any requests from the United Nations High Commissioner for Refugees (UNCHR) to provide temporary refuge to evacuees from the Kosovo region. Kosovars recognised as refugees in the United Kingdom are entitled to be joined by their pre-existing spouse and minor dependant children under the terms of the family reunion concession. In compelling compassionate circumstances, the concession might be extended to other family members who formed part of the refugee's family unit before he fled to seek asylum. Arrangements are being made to deal with outstanding asylum applications, and to give particular priority to those where there are compelling compassionate circumstances, thus enabling families to be reunited under the terms of the concession.

Asylum Seekers

Mrs. Gillan: To ask the Secretary of State for the Home Department how many asylum applicants from Pakistan have claimed membership of the MQM Party in each of the last two years. [82875]

Mr. Mike O'Brien: We regret that the information is not available.

TREASURY

Departmental Expenditure

Mr. Don Foster: To ask the Chancellor of the Exchequer if he will list the expenditure incurred by his Department, agencies and non-departmental public bodies on *(a)* the setting up and *(b)* the operation of web sites, indicating the cases in which the expenditure has been above that budgeted; and if he will list for each web site (i) the topics covered, (ii) the current average number of hits per month and (iii) the estimated expenditure on each web site for each of the next three years. [70963]

Ms Hewitt *[holding answer 15 February 1999]:* HM Treasury currently operates two websites, HM Treasury (www.hm-treasury.gov.uk), and The Euro (www.euro.gov.uk). The UK Debt Management Office, an executive agency of HM Treasury operates the DMO site (www.dmo.gov.uk). All three sites are run from the HM Treasury server and share running costs. There are currently no non-departmental public body websites.

HM Treasury's website cost approximately £20,000 to set up in September 1994. Operation costs initially were £8,000 a year for a leased line, and one full-time Range C post (Internet Editor). The Euro site was set up in May 1998 at a cost of £7,000. Current operating costs for both sites are around £60,000.

Topics covered on the HM Treasury site include News Releases, Budget information, economic information, speeches, savings, guidance. The current average number of hits per month is 832,829.

The euro site provides information on business preparation for the euro. The average number of hits per month is currently 191,366.

The expenditure for each of the next three years is difficult to estimate, but server and personnel costs are likely to be around the current level.

The United Kingdom Debt Management Office website was set up in January 1999 at no additional cost. The website operates on the Treasury server with additional running costs of £50 per annum for domain name registration. The site is edited by DMO staff, with no additional staff costs.

Topics covered are news releases, publications and background information on the DMO. It is too early to establish hits per month, but the site has received 76,254 hits to date. Estimated costs for the next three years are nil.

Aggregates Tax

Ms Lawrence: To ask the Chancellor of the Exchequer when the results of last year's consultation on the potential aggregates tax will be made available. [83278]

Ms Hewitt: HM Customs and Excise are issuing a summary of the results of the consultation today. At the same time, draft legislation for a possible aggregates tax, covering crushed rock, sand and gravel, is being made available for comment.

Productivity Road Shows

Mr. Gibb: To ask the Chancellor of the Exchequer how many productivity road shows have been held to date; how many people attended; what was the cost of the road shows; and how many people contributed to the productivity debate. [80821]

Mrs. Roche: The productivity debate has been taken forward by the Chancellor and other Treasury Ministers' participation in a number of productivity focused events.

These included a series of ten productivity road shows held throughout the UK, at a cost of £95,000. These were attended by over 600 representatives of business, education and training providers. The debate has generated a widespread response from all these sectors and the public.

National Changeover Plan

Mr. Bercow: To ask the Chancellor of the Exchequer, pursuant to his answer of 14 April 1999, *Official Report*, column *247*, on the National Changeover Plan, what types of non-IT expenditure he expects in the National Changeover Plan prior to any parliamentary decision to hold a referendum; and at what estimated levels of cost. [81747]

Ms Hewitt: It is for each organisation to decide for itself what resources to commit to preparations. The National Changeover plan provides an overall framework to help planning and encourage cooperation and consultation.

Departmental Staff (Ethnic Origin)

Mr. Vaz: To ask the Chancellor of the Exchequer if he will provide a breakdown, in numerical and percentage terms, of the ethnic origin, at 1 March, of *(a)* his private office, *(b)* Government special advisers, *(c)* his Policy Unit and *(d)* staff in total. [78515]

Ms Hewitt: At 1 March 1999, records for the Treasury's Ministerial support teams showed that, of those who have provided a self-declaration, there are nine members of staff who are in ethnic minorities. This represents 19.6 per cent. of those who have provided a self-declaration and 17.3 per cent. of the total of these teams.

There can be only up to four Special Advisers in the Treasury. In line with Cabinet Office guidance, information relating to fewer than five people is not disclosed. My right hon. Friend the Prime Minister gave aggregated information on the ethnic origins of the Special Advisers in his written answer to my hon. Friend the Member for Brent, East (Mr. Livingstone) on 22 February 1999, *Official Report*, column 39.

There is no Policy Unit in HM Treasury. On ethnic origins of Treasury staff in total, I refer my hon. Friend to the answer given by the Minister for the Cabinet Office on 31 March 1999, *Official Report*, columns 710–11.

Ministerial Meetings

Mr. Matthew Taylor: To ask the Chancellor of the Exchequer, pursuant to his answer of 31 March 1999, *Official Report*, column 686, how many times Ministers in his Department met their counterparts in the US Administration between 1 January and 1 June 1998, indicating the dates and locations of each meeting, the ministers involved and the name of the US counterpart. [82248]

Ms Hewitt: The Chancellor of the Exchequer met the US Treasury Secretary, Robert Rubin, on 21 February 1998 (London), 15 April 1998 (Washington) and 8 May 1998 (London).

Special Advisers

Mr. Tyrie: To ask the Chancellor of the Exchequer if he will list *(a)* the place visited on each occasion when (i) departmental and (ii) non-department special advisers travelled abroad in an official capacity since 2 May 1997, (A) accompanied and (B) unaccompanied by Ministers and *(b)* the total travel cost of each occasion when a departmental and non-departmental adviser travelled abroad in an offical capacity since 2 May 1997. [82430]

Ms Hewitt: I refer the hon. Member to the answer I gave him on 30 March 1999, *Official Report*, columns 669–70.

Vehicle Excise and Road Fuel Duties

Dr. Ladyman: To ask the Chancellor of the Exchequer what were *(a)* the rates of vehicle excise duty, *(b)* the levels of road fuel duty and *(c)* the annual receipts from each of these sources in each of the last 10 years. [82436]

Ms Hewitt: The rates of vehicle excise duty on typical vehicles for the last 10 years are:

£ per year

Effective date	*Private and light goods*	*Lightest HGV*[1]	*2 axled articulated vehicle*[2]
March 1990	100	130	3,100
March 1991	100	130	3,100
March 1992	110	150	3,100
March 1993	125	150	3,100
November 1993	130	150	3,100
November 1994	135	150	3,100
November 1995	140	150	3,100
November 1996	145	150	3,100
November 1997	150	160	3,210
March 1998	150	160	3,210
March 1999	155	160	3,210

[1] The rates apply to rigid and articulated goods vehicles between 3.5 and 7.5 tonnes

[2] The rates apply to articulated vehicles between 36 and 38 tonnes with a 2 axled tractive unit used with 3 or more axled semi trailer(s)

The levels of road fuel duty for the last 10 years, up to and including the increase on 17 March 1998, are published in the HM Customs and Excise Annual Report 1997–98, Table K1. The rates of duty applying since the Budget on 9 March 1999 are published in Customs and Excise Budget Notice 6/99.

The annual receipts from road fuels up to 1997–98 are published in HM Customs and Excise Annual Report 1997–98, Table K2. Provisional receipts for 1998–99 are £21,329 million.

The annual receipts for Vehicle Excise Duty up to 1997–98 are published in the Office for National Statistics publication, Financial Statistics, Table 2.1B. The provisional receipts for the financial year 1998–99 are £4,667 million.

Tax Returns

Mr. Gibb: To ask the Chancellor of the Exchequer what is the discount to be offered by the Government to taxpayers filing tax returns via the internet. [80819]

Mrs. Roche: The Budget proposed a discount on returns filed via the internet as part of the package of increased support for small businesses. The detail is currently being considered by the Government.

Millennium Gift Aid

Mr. Colman: To ask the Chancellor of the Exchequer if he will extend the Millennium Gift Aid scheme to support services provided in the UK by UK-based charities. [82260]

Ms Hewitt: In his document speech, the Chancellor confirmed that the consultation document on the Review of Charity Taxation, published on Budget Day, contains a proposal to extend the advantages of Millennium Gift Aid to all charitable causes supported by UK charities. This would take effect after 31 December 2000, when the present Millennium Gift Aid scheme comes to an end. Comments on this and the other proposals in the consultation document are invited by 31 August.

Median Earnings

Mr. Boswell: To ask the Chancellor of the Exchequer if he will publish an estimate of the current figure for half adult median earnings on a like-for-like basis with the hourly adult rate for the national minimum wage. [82045]

Ms Hewitt *[holding answer 26 April 1999]:* The information requested falls within the responsibility of the Director of the office for National Statistics. I have asked him to reply.

Letter from Tim Holt to Mr. Tim Boswell, dated 30 April 1997:

As Director of the Office for National Statistics (ONS), I have been asked to reply to your recent parliamentary question on adult median earnings.

The information requested is not available for 1999, nor on a like-for-like basis with the National Minimum Wage (NMW).

The preferred method for assessing the coverage of the NMW is to present adjusted New Earnings Survey (NES) and Labour Force Survey (LFS) data, in line with an article by David Wilkinson in the May 1998 issue of Labour Market Trends *entitled Towards reconciliation of NES and LFS Earnings Data,* which is available in the House of Commons Library. This method adjusts for the fact that the NES is based on a one per cent. sample of employees in the PAYE system and is therefore likely to under-represent relatively low paid staff earning below the tax threshold, in particular those who work part-time.

Using this methodology, which is not on a like-for-like basis when compared with the NMW, the estimate of half median earnings of full-time employees aged 22 and over was £3.83 in Spring 1998. The NMW for those aged over 21 has been set at £3.60 per hour. An estimate for all employees is not available, but were one to be calculated it would give a lower value because of inclusion of part-time employees.

Increased Fuel Duties

Mr. Hammond: To ask the Chancellor of the Exchequer (1) what assessment he has made of the likely impact of the increased fuel duties imposed in his 1999 Budget on peak traffic flows on *(a)* the M25 and *(b)* other motorways; [80284]

(2) what assessment he has made of the effect of the increased fuel duties imposed by his first two budgets on peak-hour traffic flows on *(a)* the M25 and *(b)* other motorways. [80285]

Dr. Reid *[holding answer 13 April 1999]:* I have been asked to reply.

The pre-Integrated Transport White Paper National Road Traffic Forecasts published by the Department of Environment Transport and the Regions in 1997 make allowance for the impact of 6 per cent. per annum real fuel duty increases between 1996 and 2002 on car use and commercial traffic. By 2002, these increases are estimated to reduce total motorway traffic by nearly 2.5 per cent. below what it would otherwise have been. The reduction in traffic between 8 am and 9 am is about 2 per cent. The 1997 forecasts do not distinguish between individual roads and cannot therefore be used to provide a separate estimate for the M25.

CABINET OFFICE

Departmental Legal Business

Mr. Dismore: To ask the Minister for the Cabinet Office if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81769]

Mr. Kilfoyle: I refer my hon. Friend to the answer given to him by my hon. and learned Friend the Solicitor-General, *Official Report,* 26 April 1999, column *1.*

The information requested is not held centrally and could be provided only at disproportionate cost.

Written Answers to Questions

Tuesday 4 May 1999

DEFENCE

Economic Community of West African States

Mr. Cohen: To ask the Secretary of State for Defence what support his Department is giving to the moratorium on the import, export and manufacture of light weapons adopted by the Economic Community of West African States in October 1998. [80504]

Mr. Spellar: I refer my hon. Friend to the answer given by the Minister of State, Foreign and Commonwealth Office, my hon. Friend the Member for Manchester, Central (Mr. Lloyd) on 15 April 1999, *Official Report*, columns *341–42*.

Eurofighter

Mr. Hancock: To ask the Secretary of State for Defence what slippage in the Eurofighter programme has taken place since its inception. [82527]

Mr. George Robertson: This is a matter for the Chief Executive of the Defence Procurement Agency. I have asked the Chief Executive to write to the hon. Member.

Letter from Robert Walmsley to Mr. Mike Hancock, dated 4 May 1999:

I am replying to your question to the Secretary of State for Defence about the extent of slippage in the Eurofighter programme since its inception. This matter falls within my area of responsibility as Chief of Defence Procurement and Chief Executive of the Defence Procurement Agency.

Since the inception of the Eurofighter development programme in 1988, there has been slippage of 42 months against the original In-Service Date (the date of delivery of first aircraft to the Royal Air Force). This slippage was reported in the Department's Major Projects Report 1998, which I submitted to the Clerk to the Public Accounts Committee on 5 February 1999, and which was copied to the House of Commons Defence Committee.

Mr. Hancock: To ask the Secretary of State for Defence what changes to the UK requirements for Eurofighter aircraft have been made since May 1997; and at what cost. [82523]

Mr. George Robertson: There have been no changes to our requirements for Eurofighter aircraft since May 1997.

Mr. Hancock: To ask the Secretary of State for Defence when the Operational *(a)* Conversion Unit and *(b)* Evaluation Unit squadron of Eurofighters will be in service. [82525]

Mr. George Robertson: It is currently planned that the Operational Evaluation Unit will be formed in June 2002 following delivery of the first Eurofighter aircraft. This will be followed by the progressive build-up of the Operational Conversion Unit, which is currently planned to be complete by June 2004.

Service Pensions

Mr. Mackinlay: To ask the Secretary of State for Defence on what basis the annual increase in ex-service pension rates are calculated; and if he will list the increases awarded in each of the last 10 years. [82574]

Mr. Doug Henderson: Starting rates of pension for newly-retired ex-Service personnel are linked to pay and increase each time there is a pay award. The pensions of people who have already retired are uprated annually in line with the Retail Price Index (RPI). The mechanism was set in the Pensions (Increase) Act 1971 and the Social Security Pensions Act 1975. The increase is determined by the movement of prices between September and September and is paid the following April. The last 10 years rates of increase are as follows:

Year	*Percentage*
1990	7.6
1991	10.9
1992	4.1
1993	3.6
1994	1.8
1995	2.2
1996	3.9
1997	2.1
1998	3.6
1999	3.2

Mr. Mackinlay: To ask the Secretary of State for Defence what is the rate of service pension currently paid to an Army major who retired at the age of 55 years after 34 years reckonable service on 1 April *(a)* 1975, *(b)* 1976, *(c)* 1977 and *(d)* 1978. [82576]

Mr. Doug Henderson: The current rates of Service Pension which would be paid to an Army Major who retired at the age of 55 years after 34 years reckonable service on 1 April of each of the following years are:

1975: £16,999

1976: £14,196

1977: £12,776

1978: £14,692.

Mr. Mackinlay: To ask the Secretary of State for Defence in what circumstances and for what reasons ex-servicemen, of the same rank and length of service, receive different rates of pensions under the Armed Forces Pensions Scheme. [82577]

Mr. Doug Henderson: Pension rates are directly linked to pay, and new starting rates of pensions are set each time there is a pay award. All those who retire will therefore have a different level of pension than those with the same rank and length of service who retire in a different pay year. After pensions are awarded they are uprated annually in line with the retail price index (RPI). Unless, therefore, military pay increases precisely in line with the RPI, the difference in pensions between two pay years will be permanent.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Moorland

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions if the moorland map of England drawn up by the Agricultural Development and Advisory Service can be used, in its present form, by the Countryside Agency in compiling its draft access maps of open countryside. [82153]

Mr. Meacher: The Countryside Agency and the Countryside Council for Wales will be responsible for producing maps showing land to which the statutory right will apply. In considering how best to do this, the agencies will be assessing the suitability of a range of sources of information, including the Moorland Map of England, and will be consulting the Farming and Rural Conservation Agency, along with other organisations.

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions how long it took the Agricultural Development and Advisory Service to map the moorland areas of England; and how much the exercise cost. [82154]

Mr. Meacher: The production of the Moorland Map of England was undertaken between May 1992 and March 1993, and required ten staff years of resources. The estimated overall cost was £603,000. The programme was preceded by a pilot project during 1991, involving the Scottish and Welsh agriculture departments, at an estimated cost to ADAS of about £30,000. The Moorland Map shows only moorland lying within the Less Favoured Areas.

Ballast Clearance

Mr. Ruane: To ask the Secretary of State for the Environment, Transport and the Regions (1) how many incidents involving ships clearing out their ballast tanks there have been in *(a)* British waters and *(b)* Liverpool Bay in each year over the past 10 years; and how many prosecutions have resulted; [82170]

(2) what action he is taking to prevent ships from clearing out their ballast tanks in British waters. [82173]

Ms Glenda Jackson: Existing legislation imposes strict controls on the discharge of oily ballast water, which are enforced by the Maritime and Coastguard Agency surveillance aircraft and other means. From 1 August 1999 the NW European waters will be designated a Special Area under International Convention, and all discharges of oil cargo contamination in ballast water will be strictly prohibited. This designated Special Area will include the North Sea and its approaches, the English Channel and its approaches, the Irish Sea and its approaches, the Celtic Sea and the North East Atlantic immediately to the West of Ireland.

There is no requirement for ships to record the take-on or discharge of sea ballast water and there have been no prosecutions resulting from ships clearing out their ballast tanks. The United Kingdom is actively participating in work at the International Maritime Organisation to develop measures to minimise the introduction of unwanted aquatic organisms in ballast water. Pending the outcome of this work, the Maritime and Coastguard Agency has published guidance which urges owners to comply with IMO's "Guidelines for the Control and Management of Ships' Ballast water to Minimise the Transfer of Harmful Aquatic Organisms and Pathogens".

Mr. Ruane: To ask the Secretary of State for the Environment, Transport and the Regions what percentage of British ports have facilities for treating ballast from ships. [82174]

Ms Glenda Jackson: All ports are required to provide waste reception facilities which are adequate to receive the waste from ships normally using the port. However the discharge of clean ballast water is not controlled by legislation and it is not generally regarded as harmful, unless it has been contaminated by cargo on board an oil tanker. In these circumstances it is then strictly controlled by oil pollution regulations. Some oil terminals do have a local requirement that all ballast from tankers are discharged ashore and their reception facilities may include treatment to remove oil cargo residue. There are no facilities in the UK which are expressly designed for the treatment of clean ballast water.

Millennium Compliance

Mr. Fearn: To ask the Secretary of State for the Environment, Transport and the Regions what estimate he has made of the cost implications involved in ensuring that traffic lights within the UK are Year 2000 compliant. [82256]

Ms Glenda Jackson: There is no estimate of the cost implications involved in ensuring the Year 2000 compliance of traffic lights. Most are on local roads for which local highway authorities are responsible and costs are not available centrally. However, most of the equipment used at traffic lights has to have Statutory Type Approval, for which the Highways Agency are responsible. They have a budget of approximately £200,000 to establish the compliance of equipment in use and results are being made available to all highway authorities.

Tube Trains (Clapham Junction)

Mr. Ottaway: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to enable tube trains to run on existing lines to Clapham Junction. [82422]

Ms Glenda Jackson: The Deputy Prime Minister gave permission for London Underground (LU) last August to do preparatory work for securing the legal powers necessary to build the southern extension to the East London Line.

Construction of the southern extension would open up a wide range of new journey opportunities and LU is consulting on possible routes through south London.

The Government and London Transport are looking at options for taking the project forward and we are clear that the future Mayor will have a role in the decision on the project.

Hedgerows

Mr. Ainger: To ask the Secretary of State for the Environment, Transport and the Regions how many prosecutions have been brought by local authorities under the Hedgerow Regulations 1997, broken down by county. [82561]

Mr. Meale: This information is not held centrally.

Mr. Ainger: To ask the Secretary of State for the Environment, Transport and the Regions how many miles of old hedgerow were removed in each of the last five years prior to the enactment of the Hedgerow Regulations 1997; and how many miles have been removed since its enactment, broken down by county in each case. [82560]

Mr. Meale: The last survey into changes in countryside hedgerows in England and Wales covered the years 1990 to 1993. This estimated that on average some 3,600 km of hedgerow were lost due to outright removal each year. A survey of hedgerow stock will be undertaken as part of Countryside Survey 2000. This will provide a basis for analysing changes which have occurred since the earlier survey.

Mr. Ainger: To ask the Secretary of State for the Environment, Transport and the Regions what monitoring his Department carries out of local authorities with regard to their implementation of the Hedgerow Regulations 1997. [82562]

Mr. Meale: In 1997, the Local Government Association surveyed their members in order to inform the review of the Hedgerows Regulations. The results are included in the report of the review group, *Review of the Hedgerows Regulations* 1997 *ISBN 1 85112 091 2*, published in July 1998. Apart from this, while the current Regulations are under review, my Department has not devoted resources to gathering data from local planning authorities on how they are working in practice.

Motor Events

Helen Jackson: To ask the Secretary of State for the Environment, Transport and the Regions what requirements are placed on organisations organising motorised sporting events and rallies to consult local communities and agencies. [82352]

Ms Glenda Jackson *[holding answer 28 April 1999]:* The RAC, as designated by the Secretary of State, is authorised to approve most events on the public highway and is required to consult the police and local highway authorities before they take place. In very limited circumstances applying to events with 12 or fewer competitors (as prescribed by article 5 of the Motor Vehicles (Competitions and Trials) Regulations 1969) there are no requirements.

A number of bodies have been given the power to authorise off-road events. It is a matter for those bodies to consider whether consultation is required for specific events.

Water (Contamination)

Dr. Cable: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has and what targets he has set to reduce fat and oil contamination in the public water system. [82716]

Mr. Meale: Sewerage undertakers have powers to control and reduce discharges of fat and oil into sewers. If they consider the discharge constitutes trade effluent, their consent is required in accordance with the provisions of the Water Industry Act 1991. The consent may set conditions and require the elimination or diminution of any specified constituent of the trade effluent before it enters the sewer. Such a discharge without the undertaker's agreement is a criminal offence.

If the sewerage undertaker does not classify the discharge as trade effluent, it is still an offence under section 111 of the 1991 Act for a person to empty into a public sewer, or any drain or sewer connecting with a public sewer, any matter which is likely to injure the sewer or drain, to interfere with the free flow of its contents or to affect prejudicially the treatment and disposal of its contents. Any person who is found guilty of an offence is liable to a fine or imprisonment. I consider these statutory controls are sufficient to deal with and reduce the problem of fat and oil entering the sewers.

Environmental Appraisals

Mr. Burns: To ask the Secretary of State for the Environment, Transport and the Regions what environmental appraisal his Department has undertaken of *(a)* the Water Industry Bill, *(b)* the Greater London Authority Bill and *(c)* the Local Government Bill; if he will make these appraisals available to the House; and what changes were made to these Bills as a consequence of the appraisals. [82565]

Mr. Meale *[holding answer 29 April 1999]: (a)* An environmental appraisal of the Water Industry Bill was published when the Bill was introduced on 26 November 1998.

(b) After careful consideration, the view was taken that no environmental appraisal for the Government's Greater London Authority proposals was necessary. This was because the proposal's impact would be upon the governance structures of London and, as such, would have no environmental impact.

However, promoting the objective of sustainable development will be an explicit and fundamental consideration for the Greater London Authority. The Greater London Authority's principal purposes are promoting economic development and wealth creation in London, promoting social development in London and promoting the improvement of the environment in London. The Authority's general purpose is conferred to enable it to further one or more of those purposes. In exercising the general power to do anything which it considers necessary to further any one or more of these purposes, it will be required to have regard to the effect its actions would have on the achievement of sustainable development in the United Kingdom. And where it does exercise its general power, it is required to do so in a way which is best calculated to contribute to the achievement of sustainable development in the United Kingdom.

(c) No environmental appraisal was undertaken of the Local Government Bill as its content has no direct implications for the environment. The Bill deals with local

management and financial issues. Notes on the effects of the Bill on public sector finances and public sector manpower, a summary of the Regulatory Appraisal and a statement of the Bill's compatibility with the European Convention on Human Rights are included in the Explanatory Notes to the Bill.

Regional Development Agencies

Mrs. Curtis-Thomas: To ask the Secretary of State for the Environment, Transport and the Regions if he will list the names and qualifications of the individuals appointed to the regional development agencies in England. [82701]

Mr. Meale: The names of the members of the Regional Development Agencies were announced at the time of their appointment in answer to a parliamentary question on 14 December 1998, *Official Report*, columns *318–20*. In conjunction with that announcement a Departmental press release was issued providing biographical details of the board members. A copy of this was placed in the Library of the House.

County Signs

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions what guidance he has issued to local authorities concerning the erection by *(a)* local authorities and *(b)* others of county signs at the historic boundaries of those counties. [82847]

Mr. Caborn: No guidance has been issued to local authorities relating specifically to signing of historic county boundaries. But signs erected for commemorative rather than traffic management purposes are controlled by district planning authorities under the Town and Country Planning (Control of Advertisements) Regulations 1992 in accordance with DOE circular 5/92.

Planning Applications

Mr. Oaten: To ask the Secretary of State for the Environment, Transport and the Regions if he will list by local authority the number of planning applications that have been referred to his Department in each of the last 12 months. [82710]

Mr. Raynsford *[holding answer 30 April 1999]*: The numbers of planning applications referred to the Department under directions applying to departure applications, shopping development and playing fields, from April 1998 to March 1999, are shown in the table. Information relating to individual local planning authorities could be obtained only at disproportionate cost.

	Departures directions	*Shopping direction*	*Playing fields direction*[1]
1998			
April	78	15	—
May	76	12	—
June	112	12	—
July	102	14	—
August	90	19	—
September	104	9	—
October	97	15	—
November	100	26	—
December	87	10	0
1999			
January	79	10	1
February	101	17	0
March	120	11	0
Total	1,146	170	1

[1] came into effect on 23 December 1998

M1 (North-east Link)

Mr. Peter Atkinson: To ask the Secretary of State for the Environment, Transport and the Regions what representations he has received calling for a motorway link between the north east of England and the M1 motorway; and if he will make a statement. [82631]

Ms Glenda Jackson: Representations have been made over many years calling for the North East to be connected by a motorway link to a national motorway network.

Most recently, as part of the Government's Road Review, a number of representations were received identifying certain points and areas for action, including the need to offset the region's peripherality by better transport links, particularly in terms of providing a motorway connecting to the south.

Due account was taken of all views expressed in pulling together the targeted programme of improvements and the series of proposed studies as set out in "A New Deal for Trunk Roads in England" published in July 1998. These include a study of the non-motorway section of the A1 between Bramham and Barton.

Carbon Dioxide Emissions

Mr. Dalyell: To ask the Secretary of State for the Environment, Transport and the Regions, pursuant to his letter of 16 July 1998 (MR/PSO/8216/98), what progress he has made towards electronic publishing of carbon dioxide figures. [81910]

Mr. Meacher: Estimated UK emissions of carbon dioxide and other air pollutants for 1970–96 are available from the National Air Quality Archive on the Internet at the following address: (http: // www.environment.detr.gov.uk / airq / aqinfo.htm). The DTI also publish carbon dioxide emissions on their site (http://www.dti.gov.uk/epa). Later this month my department will be releasing 1997 emission estimates for all the main air pollutants and DTI will be releasing provisional 1998 emissions estimates for carbon dioxide.

Clean Development

Mr. Dalyell: To ask the Secretary of State for the Environment, Transport and the Regions, pursuant to his answer of 19 January 1999, *Official Report*, column *451*, what further proposals on the Clean Development Mechanism he has submitted to the UN Framework Convention. [81937]

Mr. Meacher: The EU submitted a first proposal on the modalities and procedures for the clean development mechanism to the Secretariat of the UN framework Convention on Climate Change on 2 March. This served as an input to the UNFCCC technical workshop on the

Kyoto mechanisms which took place in Bonn 9–15 April. I have placed a copy of the submission in the House Library.

Haulage Industry

Mr. Drew: To ask the Secretary of State for the Environment, Transport and the Regions when he last met representatives of *(a)* the Road Haulage Association and *(b)* the Freight Transport Association; what plans he has to meet them in the future; and what proposals he has put to each organisation regarding the impact of increased duty and excise charges. [82777]

Dr. Reid: Ministers have frequent contact with representatives of the Road Haulage Association (RHA) and the Freight Transport Association (FTA) most recently. On 26 April my right hon. Friend the Deputy Prime Minister attended and addressed the FTA Annual Dinner. On 27 April I had an informal meeting with David Green, Director General and Lawrence Christersen, President of the FTA together with other FTA representatives. I also had an informal meeting at the House of Commons with Steve Norris, Director General of the RHA and with a number of individual road hauliers. Both the FTA and the RHA were represented at the inaugural meeting of the Road Haulage Forum on 8 April. I will be attending the RHA's Annual Dinner on 11 May, and I expect to continue to meet representatives of both Associations frequently.

I have put no proposals to them regarding the impact of increased duty and excise charges. Tax matters are the responsibility of my right hon. Friend the Chancellor of the Exchequer. The Road Haulage Forum's main task is to establish the facts on the competitiveness of the industry but it will also be looking at a range of other issues.

Safeway Supermarket, St. Anne's

Mr. Jack: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to call in for further consideration the proposal to build a new Safeway supermarket in St. Anne's, Lancashire. [82673]

Mr. Caborn: The Secretary of State is waiting for further information from the Local Authority before he can begin to consider the application. I shall write and let the right hon. Gentleman know the Secretary of State's decision.

Highway Closures

Mr. Jack: To ask the Secretary of State for the Environment, Transport and the Regions what procedures must be followed by a local authority seeking to close, on a permanent basis, a section of the public highway in connection with development. [82672]

Mr. Prescott: Section 247 of the Town and Country Planning Act 1990, enables a developer to seek the stopping up or diversion of a highway to enable a development which has planning permission to proceed. A similar procedure exists under section 248 of the Act for side roads, and under S249 a local highway authority can apply to pedestrianise a road. All stopping up orders are subject to an objection procedure. Where there are unwithdrawn objections, the Secretary of State will usually call for a public inquiry to be held before deciding whether the order should be made or not.

Royal Train

Mr. Alan Williams: To ask the Secretary of State for the Environment, Transport and the Regions what costs were incurred by the Government in relation to the Royal Train in 1998–99; how many times it was used for official Government business; and at what cost on each occasion. [83078]

Mr. Prescott: The cost of the Royal Train is met as part of the Grant-in-aid which is the annual funding provided by the Department to meet the cost of official royal travel by air and rail. Figures for the use of the Royal train during 1998–99 (which include both a fixed and variable cost element) are currently being finalised but it is estimated that the total cost will be about £825,000. This represents a decrease of 29 per cent. on 1997–98 and 56 per cent. since the Grant-in-aid was established two years ago.

The Train was used once for official Government business during 1998–99—for a function hosted by Mrs. Blair for the wives of the G8 Heads of Government on 16 May 1998. The £11,382 variable cost of the use of the Train, plus a £4,250 contribution to fixed costs, was met by the Foreign and Commonwealth Office.

Bus Service Tenders

Ann Keen: To ask the Secretary of State for the Environment, Transport and the Regions what proposals London Transport has for publishing information about tenders for bus services in London. [83339]

Ms Glenda Jackson: London Transport Buses has recently reviewed its policy in this area and I welcome its decision to expand its disclosure of tender results. LTB intends to publish new information on the London Transport Web site and will also make hard copy versions available on request.

The relevant information will be the number of tenders, the successful bidder, the value of the selected bid and the range, and the cost per scheduled mile. In addition to basic information about the route and service, LTB will also publish information about any alternative service options which were considered.

AGRICULTURE, FISHERIES AND FOOD

Task Forces

Dr. Tony Wright: To ask the Minister of Agriculture, Fisheries and Food (1) if he will publish a list of (1) task forces and (2) policy reviews established by his Department since May 1997 which *(a)* had external members recruited by way of public advertisement, and details of any person so appointed and *(b)* engaged in public consultation exercises, and the form that these took; [74456]

(2) if he will list all those task forces and policy reviews with external members established by his Department since May 1997 which have set up *(a)* sub-groups, *(b)* working parties and *(c)* other subsidiary committees; [79260]

(3) if he will list for all task forces and policy reviews with external members established by his Department since May 1997 *(a)* their dates of establishment, *(b)* those which have issued final reports and their dates of publication, *(c)* those which have been terminated and their dates of termination and *(d)* for those bodies still in existence, expected reporting and termination dates. [79283]

Mr. Morley: The following table sets out the details of Policy Reviews with external members established by my Department since May 1997. My Department has only one Task Force and this has no external members. None of these Reviews or the Task Force have any sub-groups, working parties or other subsidiary committees.

Review	*Date of establishment*	*Publication date of final report*	*Date of termination (if applicable)*	*Expected reporting date*	*Expected termination date*	*External members recruited by public advertisement*	*Details of members recruited by public advertisement*	*Details of public consultation exercises*
Review of the Current Rules of Quarantine on Imported Pet Animals	24 November 1997	23 September 1998	23 September 1998	n/a	n/a	Yes	See the following	On 9 December 1997, relevant organisations were asked to comment on a number of detailed scientific issues
Review of Public Analyst Arrangements in England and Wales	23 April 1998	28 October 1998	28 October 1998	n/a	n/a	No	n/a	This review was publicised by means of a News Release and drawn to the attention of 44 outside bodies with invitation to submit comments. Oral evidence taken from the 4 organisations most directly affected (APA, LGA, LACOTS and ITSA)
Salmon and Freshwater Fisheries Review Group	8 April 1998	n/a	n/a	Late 1999	Late 1999	No	n/a	Consultation letters were issued on 23 June, 27 July and 6 October 1998 inviting submissions to the Group. In addition, 6 regional meetings and a number of national meetings have enabled views to be put directly to the Group

The Advisory Group on Quarantine—Membership

Chairman

Professor Ian Kennedy

Professor of Health Law, Ethics and Policy at the School of Public Policy, University College London.

Members

Dr. Michel Aubert

Director of the Laboratoire d'études sur rage et la pathologie des animaux sauvage, Centre National d'Études Vétérinaires et Alimentaires, Nancy, France.

Dr. Barbara Bannister

Consultant in Infectious and Tropical Diseases at the Royal Free Hospital, London.

Mr. Paul DeVile

Small animal veterinary practitioner in Eastbourne. Past president of the British Veterinary Association and the British Small Animal Veterinary Association.

Dr. Chris Dye

Senior Epidemiologist at the World Health Organisation, Geneva, Switzerland (on secondment from the London School of Hygiene and Tropical Medicine).

Dr. Andrew Higgins

Scientific Director and Chief Executive of the Animal Health Trust, Newmarket.

Professor Oswald Jarret

Professor of Comparative Virology, University of Glasgow.

Professor Herbert Sewell

Professor of Immunology at the University Hospital Medical School, Queen's Medical Centre, Nottingham University.

Sir Joseph Smith

Retired Director of the Public Health Laboratory Service.

Rhizomania

Mr. Whittingdale: To ask the Minister of Agriculture, Fisheries and Food what action he is taking to prevent the spread of Rhizomania in the UK; and if he will make a statement. [82662]

Mr. Rooker: The Government apply statutory controls to minimise the spread of rhizomania, including a prohibition on the growing of beet on any fields where the disease has been found. Controls are applied to certain types of products brought into the UK, such as seed potatoes, to minimise the risk of further introductions of the disease. These arrangements are applied in accordance with the United Kingdom's status as a 'protected zone' for rhizomania under the EC plant health regime. The Government will be seeking an EC decision to continue the protected zone, which under existing legislation is due to expire on 1 November 1999.

Farmers (Kent)

Mr. Rowe: To ask the Minister of Agriculture, Fisheries and Food how many farmers farm in Kent; and how many farmed there in 1990. [82553]

Mr. Rooker: The numbers of principal farmers, spouses, other farmers, partners and directors working on agricultural holdings in Kent in 1998 are given in the table.

1998	*Number*
All principal farmers, spouses, other farmers, partners and directors (full time)	2,621
All principal farmers, spouses, other farmers, partners and directors (part time)	2,845
Total	5,466
(Salaried managers)	(453)

Note:
Does not include farmers on minor holdings

Source:
Agricultural and Horticultural Census—June 1998

Details of new questions are quoted in the Labour results statistics notice of 26 February 1999.

Fundamental changes were introduced to the labour questions in 1998, and the results may not be fully comparable with earlier years. The June 1990 census records that there were 5,894 principal farmers, farmers' spouses, other partners and directors and spouses with 396 salaried managers. Further information on labour figures in Kent are provided in the *Digest of Agricultural Statistics*.

Bovine Somatotropin

Mr. Lepper: To ask the Minister of Agriculture, Fisheries and Food what trials of the synthetic genetically engineered dairy hormone bovine somatotropin are being conducted in the UK; and if any of the milk from these trials is entering the general milk supply. [82707]

Mr. Rooker: The use of recombinant bovine somatotropin (rBST) is subject to an EU moratorium which allows for a period for further practical tests. No such tests are being conducted in the UK. The moratorium is to be reviewed before the end of 1999.

Organophosphates

Mr. Tyler: To ask the Minister of Agriculture, Fisheries and Food what assessment he has made of the implications which the revocation of approval of Diazinon and other organophosphate substances by the Pesticides Safety Directorate, on the recommendation of the Advisory Committee on Pesticides, has for the continued use of *(a)* all OP sheepdips and *(b)* other OP products. [82778]

Mr. Rooker: The Government are reviewing all approvals of organophosphate and carbamate compounds used in pesticides approved by the Pesticides Safety Directorate and the Health and Safety Executive under the Food and Environment Protection Act 1985. The company concerned has chosen not to provide the data necessary to support two products containing diazinon. Approvals for these products have therefore been withdrawn. Companies that have indicated that they will support other organophosphate pesticides now have five months to submit complete data packages for the review.

A similar review of veterinary medicines, including those with an organophosphorus compound as an active ingredient was conducted in the early 1990s and companies produced full data packages for sheep dips and other veterinary medicines, the active ingredient of which is diazinon. In cases where the data packages satisfied the statutory requirements, products continued to be authorised. In addition, the Veterinary Products Committee (VPC) conducted reviews of the safety of OP sheep dips in 1993 and 1997.

The VPC is currently reviewing OP-based veterinary medicines other than sheep dips and the withdrawal of the two diazinon pesticides will be drawn to the Committee's attention.

School Milk

Mr. Pickthall: To ask the Minister of Agriculture, Fisheries and Food what percentage of nursery *(a)* schools and *(b)* classes are taking up the subsidy for school milk. [82773]

Mr. Rooker: This information is not held centrally.

Bovine Tuberculosis

Mr. Drew: To ask the Minister of Agriculture, Fisheries and Food if he will publish the latest figures for herd breakdown due to bovine TB. [82775]

Mr. Rooker: The latest available information for 1998 is as shown. There are a small number of laboratory test results still pending and the figures may increase slightly once these results are available.

Region	*Confirmed incidents*
GB Total	736
West Region	581
Wales	93
Rest of England	59
Scotland*	3

*West region includes the counties in SW England plus Herefordshire, Worcestershire and Shropshire

Organic Farming

Mr. Pickthall: To ask the Minister of Agriculture, Fisheries and Food what assessment he has made of the growth in organic production in the UK in each of the last two years. [82774]

Mr. Morley: Information available to my Department suggests the following growth in the area of land farmed organically (fully converted or in conversion):

	Hectares
April 1997	50,772
April 1998	54,834
April 1999	274,519

Source:
UK Register of Organic Food Standards and UK Organic Sector Bodies

HOME DEPARTMENT

Hedgerows

Mr. Ainger: To ask the Secretary of State for the Home Department if he will make a statement on Government policy in respect of police investigations of offences under the Hedgerows Regulations 1997 *(a)* in general and *(b)* in cases where the offence may have been committed by public bodies, indicating how many investigations have occurred to date. [82563]

Mr. Boateng: Under the Hedgerows Regulations 1997, offences in respect of hedgerows may be prosecuted by the police (through the Crown Prosecution Service) local authorities or indeed any private person. Whilst the police may investigate these offences, normal practice is for local planning authorities to take responsibility for such matters.

The information requested is not held centrally.

Lancet Inquiry

Dr. Kumar: To ask the Secretary of State for the Home Department, pursuant to his answer of 13 April 1999, *Official Report*, column *11*, on the Lancet Inquiry, if he will provide a breakdown of the costs of the Cleveland officers; under which budget those costs are accounted for; and if the costs of each of the 18 police officers from Cleveland referred to in his answer of 20 April 1999, *Official Report*, column *484*, are included in those figures. [82564]

Mr. Boateng: The breakdown of the costs to the Lancet inquiry of the Cleveland officers, including travel and subsistence, is as follows:

	£(000)
Salaries including National Insurance and allowances	412
Overtime	280
Travel and subsistence	6[illegible]

All costs are initially charged to a holding account and recharged to a revenue account at the end of the financial year, in accordance with the force's normal accounting policies. The costs include the overtime and other expenses, but not the salaries, of 11 officers of the force's organised crime group who are tasked and funded to undertake major criminal investigations, which has included work on the Lancet inquiry.

Cleveland Police

Dr. Kumar: To ask the Secretary of State for the Home Department on what date the former Deputy Chief Constable of Cleveland Police Force was required to empty his office. [82538]

Mr. Boateng: The former Deputy Chief Constable of Cleveland Police retired from the police service on 7 March. He vacated his office on 18 February in order to take outstanding leave before the date of his retirement.

Dr. Kumar: To ask the Secretary of State for the Home Department if the Police Complaints Authority is overseeing the carrying out of the Redwood Inquiry into the Cleveland Police Force. [82537]

Mr. Boateng: This is an ongoing investigation and, for operational reasons, it would not be appropriate at this stage to make any further comment.

Dr. Kumar: To ask the Secretary of State for the Home Department if he will publish the names of individuals who made the accusations against Detective Superintendent Ray Mallen of Cleveland Police Force which gave rise to the inquiry into his *(a)* role with the media and *(b)* expenses; and if he will make a statement. [82539]

Mr. Boateng: The inquiry into expenses arose from concerns about the circumstances during which a complaint was made by a member of the public following an incident which occurred in Leicester in May 1997, although the complaint itself did not relate to expenses. Matters arising from some statements made during the course of media interviews have been the subject of internal inquiries by the force and did not arise from a complaint by an individual.

Travellers

Mr. Pound: To ask the Secretary of State for the Home Department what plans he has to address the problem of travellers occupying open space in London suburbs. [82718]

Mr. Boateng: The Home Office and the Department of the Environment, Transport and the Regions (DETR) has recently issued good practice guidance on dealing with unauthorised camping by travellers. Operational guidelines on the use of police powers to remove trespassers under section 61 of the Criminal Justice and Public Order Act 1994 are issued by the Association of Chief Police Officers (ACPO) and are currently under review. I have made clear to ACPO that I expect police powers to be used at an early stage where necessary, particularly where traveller encampments are associated with problems of crime, disorder or disruption to the local community. The use of police powers in individual cases is an operational decision for the senior police officer present at the scene. The 1994 Act also provides powers to local authorities to remove trespassers, and civil action for repossession may be taken by landowners.

In addition, the Crime and Disorder Act 1998 requires local authorities and the police to develop Crime and Disorder Reduction Partnerships, comprising the police, local authority, probation, health and other local agencies, which work in partnership to identify and resolve issues of crime and disorder in their area and to work to reduce it. These partnerships are relevant where criminal activity or disorder arise from unauthorised encampments.

The Home Office and DETR are currently holding a number of regional seminars to encourage the police and local authorities to work effectively together to deal with the problems that can be caused by unauthorised encampments.

Drug-related Crimes

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department how many persons were jailed for drug-related crimes in 1997–98. [82693]

Mr. George Howarth: The Home Office statistical bulletin, "Drug Seizure and Offender Statistics, United Kingdom 1997" (Issue 8/99), was published on 29 April 1999. Table 3.10 shows that the number of offenders sentenced to immediate custody for drug offences in the United Kingdom in 1997 was 10,422.

Young Offenders

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department how many minors are currently housed in non-juvenile correctional institutions and prisons. [82691]

Mr. George Howarth: Provisional information indicates that, on 31 March 1999, there were a total of 366 persons aged 15–17 years in adult prisons. Young persons (15–21 year olds) in adult prisons are normally accommodated separately from adults.

Persons aged under 15 years are not held in Prison Service establishments, but are remanded to local authority accommodation. This information is published in a Department of Health statistical bulletin entitled "Children Accommodated in Secure Units". This information is presented on a financial year basis with the last report (Bulletin 1999–6) covering the year ending 31 March 1998.

Prisoner Services

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department what services are provided to prisoners who serve less than one year in prison. [82694]

Mr. George Howarth: Short-term prisoners benefit from the range of services available to all prisoners. On drugs issues, these include detoxification, advice and treatment. As part of the Prison Service drug strategy, all prisoners will benefit from improvements in the quality and availability of drug services, including improved links with community agencies to ensure continuity of treatment on release. This aspect is of particular importance to short-term prisoners whose length of stay in prison often means that they cannot benefit from the more long-term intensive drug treatment programmes.

Prisoners (Restraint)

Mrs. Curtis-Thomas: To ask the Secretary of State for the Home Department under what circumstances prisoners may be shackled when receiving medical treatment or under medical supervision. [82692]

Mr. George Howarth: Arrangements for the security of prisoners receiving medical attention outside prison, including the circumstances in which they may be handcuffed, are contained in sections 37.114–159 of the Prison Service security manual, copies of which are held in the Library.

DNA Database

Mr. Dalyell: To ask the Secretary of State for the Home Department, pursuant to his letter of 18 June 1998, FC/98 333/1039/3 PO 10689/98, what progress has been made in joint research on the National DNA database. [81935]

Mr. Boateng: I refer my hon. Friend to the answer I gave him on 25 January 1999, *Official Report*, column *68*. The analysis backlog was eliminated by the end of March as planned, and the benefits arising from the joint projects between the Forensic Science Service (FSS) and individual police forces are being evaluated.

On the wider issue of DNA analysis which was also covered by the letter of 18 June 1998, the joint research programme is still in progress.

Cellphone Jammers

Mr. Dalyell: To ask the Secretary of State for the Home Department, pursuant to his answer of 19 January 1999, *Official Report*, column *408*, what study he is making of the use of cellphone jammers by the police. [81936]

Mr. Boateng: The Home Office is continuing to look at these devices to determine their suitability for police use.

Correspondence

Sir Brian Mawhinney: To ask the Secretary of State for the Home Department when he intends to reply to the letter from the right hon. Member for North-West Cambridgeshire dated 3 March on behalf of his constituents Mr. and Mrs. Smith. [83155]

Mr. Boateng: The right hon. Member will receive a reply to his letters of 3 March and 27 April within the next few days.

Secure Training Centres

Mr. Shaw: To ask the Secretary of State for the Home Department what assessment he has made of the liaison between social services departments and the new secure training centres. [81817]

Mr. Boateng: Medway Secure Training Centre's main contacts are with home area supervising officers. The arrangements appear generally to be working well. Supervising officers are appointed as soon as possible following sentence and are involved with trainees during the custodial and community parts of the secure training order, providing continuity and consistency of approach to deliver the objectives of reducing offending and protecting the public.

Occasionally, supervising officers from distant areas cannot attend initial assessment meetings, which need to be held at short notice just after sentence. As more STCs come into operation—two more are due this year—the better geographical spread should reduce this problem.

Marriages of Convenience

Mr. Stringer: To ask the Secretary of State for the Home Department what written guidance is given to immigration officers when making unannounced visits to check if a marriage is one of convenience for immigration purposes. [82941]

Mr. Mike O'Brien: If the written guidance given to immigration officers involved in making unannounced visits to check whether a marriage is genuine and subsisting were to be published, it would enable those whose marriages were not genuine and subsisting to take measures that permitted the deception to continue.

Mr. Stringer: To ask the Secretary of State for the Home Department what types of evidence are considered relevant by immigration officers when making unannounced visits to investigate if a marriage is genuine for immigration purposes. [82940]

Mr. Mike O'Brien: When making an unannounced visit, immigration officers will consider any evidence that will assist in deciding whether a marriage is genuine and fulfils the requirements of the Immigration Rules.

Non-jurors (Human Aids)

Mr. Levitt: To ask the Secretary of State for the Home Department if he will set out the timetable and the process of consultation for his review of the law which prohibits non-jurors from being present during a jury's deliberations with particular reference to human aids to communication. [82725]

Mr. Boateng: The review of the law which prohibits non-jurors from being present during a jury's deliberations raises issues both of principle and practicality. In order to provide statistical evidence to support the review, research has been commissioned and will begin in June into the composition of juries and the reasons for jury excusals, including deafness. This research is due to be completed in the autumn and in the meantime work is being carried out to prepare a paper which could be issued for public consultation next year.

Parole

Mr. Beith: To ask the Secretary of State for the Home Department what percentage of prisoners serving four years or more in England and Wales were granted parole on *(a)* their first application and *(b)* their second application in each of the last 10 years for which figures are available. [82447]

Mr. George Howarth: The available data given in the table are for the proportions of determinate sentenced prisoners recommended for parole at first reviews and at all subsequent reviews. Data on the grant of parole are not readily available in this form, but the proportion of prisoners not granted parole following a recommendation for parole is insignificant.

Proportion of determinate sentenced prisoners recommended for parole at first and subsequent review 1989 to 1998/99

England and Wales	*First Review*	*Subsequent Reviews (per cent.)*
1989	15.3	47.6
1990	11.9	44.3
1991	12.3	47.1
1992	15.5	49.7
1993	20.1	48.2
1994	36.0	44.7
1995	48.4	33.7
1995/96	47.6	29.4
1996/97	40.5	22.0
1997/98	40.7	27.4
1998/99(Provisional)	40.6	31.6

Probation Services (Funding)

Mr. Beith: To ask the Secretary of State for the Home Department what was the total level of funding for each probation service in each of the last three years and the real terms change in funding levels over that period; and what is the planned real terms change in funding for 1999–2000. [81559]

Mr. George Howarth *[pursuant to his reply, 26 April 1999, c. 76]:* The table should have included a detailed breakdown of total revenue cash limit available to each probation area in this and the last three financial years; the real terms value of the last three years' cash limits at 1999–2000 prices using the latest Treasury deflators, and year on year changes. A copy has now been placed in the Library.

Revenue grant—as published in probation circular

£

	1996–97 PC 103/1995	*1997–98 PC 75/1996*	*1998–99 PC 70/1997*	*1999–2000 PC 78/1998*
Avon	7,071,371	6,960,416	6,902,105	7,216,823
Bedfordshire	3,764,067	3,747,487	3,772,001	3,974,058
Berkshire	5,963,860	5,857,807	5,774,094	5,987,052
Cambridgeshire	4,303,759	4,242,406	4,197,352	4,410,157
Cheshire	6,434,803	6,388,142	6,426,440	6,774,263
Teeside (Cleveland)	5,255,538	5,455,118	5,512,966	5,863,353
Cornwall	2,792,170	2,760,884	2,750,466	2,888,443
Cumbria	4,310,007	4,231,779	4,179,220	4,372,774
Derbyshire	5,485,099	5,695,898	6,051,490	6,662,657
Devon	7,724,929	7,532,551	7,442,774	7,745,855
Dorset	4,621,304	4,492,145	4,445,580	4,614,128
Durham	4,550,828	4,502,470	4,522,016	4,771,306
East Sussex	4,451,446	4,434,050	4,455,089	4,697,660
Essex	9,350,779	9,267,237	9,250,906	9,767,332
Gloucestershire	4,060,728	4,003,135	3,942,703	4,438,208
Hampshire	9,741,592	9,754,924	9,849,274	10,538,925
Hereford and Worcester	4,575,081	4,493,707	4,463,796	4,636,596
Hertfordshire	5,951,791	5,917,834	5,921,973	6,219,277
Humberside	6,564,688	6,573,213	6,578,324	6,951,436
Kent	10,439,101	10,384,473	10,435,511	11,047,957
Lancashire	9,576,431	9,916,865	10,445,124	11,367,602
Leicestershire	5,767,920	5,722,123	5,740,400	6,382,196
Lincolnshire	4,061,445	4,048,534	4,066,517	4,283,254

Revenue grant—as published in probation circular

£

	1996–97 PC 103/1995	1997–98 PC 75/1996	1998–99 PC 70/1997	1999–2000 PC 78/1998
Norfolk	4,385,841	4,395,238	4,415,740	4,680,124
Northants	3,617,961	3,575,746	3,559,937	3,757,451
Northumbria	12,756,986	12,631,465	12,595,529	13,268,359
Nottinghamshire	9,036,101	8,908,079	8,878,204	9,377,554
Oxford and Buckinghamshire	7,991,764	7,872,029	7,805,565	8,165,040
Shropshire	2,675,885	2,639,296	2,631,543	2,759,416
Somerset	4,135,313	4,001,709	3,905,172	4,033,478
Staffordshire	7,644,535	7,557,631	7,544,181	7,902,353
Suffolk	3,834,979	3,804,984	3,814,374	4,008,764
Surrey	5,988,838	5,849,928	5,748,172	5,961,019
Warwickshire	3,611,419	3,522,739	3,480,032	3,618,973
West Sussex	3,458,254	3,439,331	3,448,894	3,654,397
Wiltshire	3,531,809	3,515,262	3,498,577	3,695,012
West Midlands	26,503,223	26,154,530	25,977,192	27,287,614
Greater Manchester	25,571,163	25,527,992	25,596,193	26,964,022
Merseyside	16,075,807	15,731,954	15,539,619	16,569,956
North Yorkshire	3,575,869	3,704,379	3,913,041	4,233,089
South Yorkshire	12,728,276	12,464,686	12,379,005	12,971,922
West Yorkshire	20,170,213	19,981,021	19,940,189	20,959,137
South East London	6,402,924	6,326,415	6,275,673	6,924,639
Middlesex	17,420,951	17,132,645	16,984,166	17,643,576
North East London	9,635,621	9,521,231	9,456,667	9,914,808
South West London	4,893,907	4,797,183	4,734,521	4,935,329
Inner London	40,619,449	40,041,847	39,653,268	40,976,779
North Wales	3,760,733	3,921,543	4,191,275	4,467,466
Dyfed	2,207,782	2,199,957	2,214,462	2,395,518
Powys	812,600	810,260	817,653	985,522
South Glamorgan	4,133,209	4,074,551	4,059,853	4,287,015
Mid Glamorgan	3,567,571	3,493,329	3,460,691	3,663,224
West Glamorgan	3,427,114	3,373,554	3,342,824	3,494,295
Gwent	3,553,913	3,771,286	4,009,168	4,350,340
Total	414,548,747	411,124,998	411,017,501	433,517,503

Revenue grant—on 'real terms' basis

£

	1996–97 deflator 3.07%	1997–98 deflator 2.47%	1998–99 deflator 2.5%	1999–2000 deflator 0
Avon	7,288,462.09	7,132,338	7,074,658	7,216,823.00
Bedfordshire	3,879,623.86	3,840,050	3,866,301	3,974,058.00
Berkshire	6,146,950.50	6,002,495	5,918,446	5,987,052.00
Cambridgeshire	4,435,884.40	4,347,193	4,302,286	4,410,157.00
Cheshire	6,632,351.45	6,545,929	6,587,101	6,774,263.00
Teeside (Cleveland)	5,416,883.02	5,589,859	5,650,790	5,863,353.00
Cornwall	2,877,889.62	2,829,078	2,819,228	2,888,443.00
Cumbria	4,442,324.21	4,336,304	4,283,701	4,372,774.00
Derbyshire	5,653,491.54	5,836,587	6,202,777	6,662,657.00
Devon	7,962,084.32	7,718,605	7,628,843	7,745,855.00
Dorset	4,763,178.03	4,603,101	4,556,720	4,614,128.00
Durham	4,690,538.42	4,613,681	4,635,066	4,771,306.00
East Sussex	4,588,105.39	4,543,571	4,566,466	4,697,660.00
Essex	9,637,847.92	9,496,138	9,482,179	9,767,332.00
Gloucestershire	4,185,392.35	4,102,012	4,041,271	4,438,208.00
Hampshire	10,040,658.87	9,995,871	10,095,506	10,538,925.00
Hereford and Worcester	4,715,535.99	4,604,702	4,575,391	4,636,596.00
Hertfordshire	6,134,510.98	6,064,004	6,070,022	6,219,277.00
Humberside	6,766,223.92	6,735,571	6,742,782	6,951,436.00
Kent	10,759,581.40	10,640,969	10,696,399	11,047,957.00
Lancashire	9,870,427.43	10,161,812	10,706,252	11,367,602.00
Leicestershire	5,944,995.14	5,863,459	5,883,910	6,382,196.00
Lincolnshire	4,186,131.36	4,148,533	4,168,180	4,283,254.00
Norfolk	4,520,486.32	4,503,800	4,526,134	4,680,124.00
Northants	3,729,032.40	3,664,067	3,648,935	3,757,451.00
Northumbria	13,148,625.47	12,943,462	12,910,417	13,268,359.00
Nottinghamshire	9,313,509.30	9,128,109	9,100,159	9,377,554.00
Oxford and Buckinghamshire	8,237,111.15	8,066,468	8,000,704	8,165,040.00
Shropshire	2,758,034.67	2,704,487	2,697,332	2,759,416.00
Somerset	4,262,267.11	4,100,551	4,002,801	4,033,478.00

Revenue grant—on 'real terms' basis

£

	1996–97 deflator 3.07%	1997–98 deflator 2.47%	1998–99 deflator 2.5%	1999–2000 deflator 0
Staffordshire	7,879,222.22	7,744,304	7,732,786	7,902,353.00
Suffolk	3,952,712.86	3,898,967	3,909,733	4,008,764.00
Surrey	6,172,695.33	5,994,421	5,891,876	5,961,019.00
Warwickshire	3,722,289.56	3,609,751	3,567,033	3,618,973.00
West Sussex	3,564,422.40	3,524,282	3,535,116	3,654,397.00
Wiltshire	3,640,235.54	3,602,089	3,586,041	3,695,012.00
West Midlands	27,316,871.95	26,800,547	26,647,122	27,287,614.00
Greater Manchester	26,356,197.70	26,158,533	26,236,098	26,964,022.00
Merseyside	16,569,334.27	16,120,533	15,928,109	16,569,956.00
North Yorkshire	3,685,648.18	3,795,877	4,010,867	4,233,089.00
South Yorkshire	13,119,034.07	12,772,564	12,688,480	12,971,922.00
West Yorkshire	20,789,438.54	20,474,552	20,438,694	20,959,137.00
South East London	6,599,493.77	6,482,677	6,432,565	6,924,639.00
Middlesex	17,955,774.20	17,555,821	17,408,770	17,643,576.00
North East London	9,931,434.56	9,756,405	9,693,084	9,914,808.00
South West London	5,044,149.94	4,915,673	4,852,884	4,935,329.00
Inner London	41,866,466.08	41,030,881	40,644,600	40,976,779.00
North Wales	3,876,187.50	4,018,405	4,296,057	4,467,466.00
Dyfed	2,275,560.91	2,254,296	2,269,824	2,395,518.00
Powys	837,546.82	830,273	838,094	985,522.00
South Glamorgan	4,260,098.52	4,175,192	4,161,349	4,287,015.00
Mid Glamorgan	3,677,095.43	3,579,614	3,547,208	3,663,224.00
West Glamorgan	3,532,326.40	3,456,881	3,426,395	3,494,295.00
Gwent	3,663,018.13	3,864,437	4,109,397	4,350,340.00
Total	427,275,394	421,279,785	421,292,939	433,517,503

Change expressed as percentage of previous year 'real terms' allocations

	1997–98	1998–99	1999–2000
Avon	−2.142068005	−0.808720057	2.009501838
Bedfordshire	−1.020045485	0.683613406	2.787081872
Berkshire	−2.350037942	−1.400225827	1.15918344
Cambridgeshire	−1.999397754	−1.033025766	2.507299724
Cheshire	−1.303042297	0.628969424	2.841340978
Teeside (Cleveland)	3.19328288	1.09002268	3.761648271
Cornwall	−1.696096469	−0.348176522	2.45511745
Cumbria	−2.386594685	−1.213093962	2.079358723
Derbyshire	3.238620594	6.274053474	7.414094227
Devon	−3.057984578	−1.162925938	1.533805908
Dorset	−3.360719465	−1.007613817	1.25986469
Durham	−1.638562649	0.463521231	2.939323588
East Sussex	−0.970648087	0.503902983	2.872982489
Essex	−1.47035067	−0.146997698	3.007255616
Gloucestershire	−1.992164847	−1.480781945	9.82209475
Hampshire	−0.44606885	0.996763873	4.39224301
Hereford and Worcester	−2.350409882	−0.636537732	1.337702097
Hertfordshire	−1.149341554	0.099238469	2.458881813
Humberside	−0.453023146	0.107054599	3.094477871
Kent	−1.102384128	0.520904528	3.286697069
Lancashire	2.952092357	5.357711378	6.177230779
Leicestershire	−1.37150164	0.348779797	8.468620356
Lincolnshire	−0.898169896	0.473592381	2.760775136
Norfolk	−0.369118252	0.495872808	3.402252717
Northants	−1.742153714	−0.41297011	2.973896832
Northumbria	−1.560340168	−0.25530233	2.772503543
Nottinghamshire	−1.99066478	−0.306191049	3.04824231
Oxford and Buckinghamshire	−2.071636952	−0.815276157	2.054017652
Shropshire	−1.941529557	−0.264561716	2.301697929
Somerset	−3.794128633	−2.383823716	0.766380784
Staffordshire	−1.712323056	−0.148741062	2.192838201
Suffolk	−1.359718059	0.276130701	2.532925935
Surrey	−2.888107959	−1.710672604	1.173525995
Warwickshire	−3.023378705	−1.183401775	1.456117813
West Sussex	−1.126126974	0.307406525	3.374164757
Wiltshire	−1.047914744	−0.445506664	3.038742783
West Midlands	−1.890132428	−0.572470001	2.403607432
Greater Manchester	−0.749972754	0.29651671	2.774513877
Merseyside	−2.708624279	−1.193656473	4.029646619

Change expressed as percentage of previous year 'real terms' allocations

	1997–98	*1998–99*	*1999–2000*
North Yorkshire	2.990762484	5.663772945	5.540497195
South Yorkshire	−2.640974382	−0.658314344	2.233852063
West Yorkshire	−1.514645621	−0.175136889	2.546362708
South East London	−1.770079955	−0.773023583	7.649735189
Middlesex	−2.227433136	−0.837620631	1.348779081
North East London	−1.762375394	−0.64902726	2.287448788
South West London	−2.547040159	−1.277330484	1.698886159
Inner London	−1.995834713	−0.941439509	0.817277824
North Wales	3.669007469	6.909501535	3.989917498
Dyfed	−0.934493532	0.688800962	5.537630888
Powys	−0.868416884	0.941967163	17.5908213
South Glamorgan	−1.993055003	−0.331555611	3.019829992
Mid Glamorgan	−2.65103817	−0.905291723	3.270620612
West Glamorgan	−2.135861964	−0.881898616	1.981686523
Gwent	5.498707022	6.338839286	5.863215169

NORTHERN IRELAND

Decommissioning

Mr. Donaldson: To ask the Secretary of State for Northern Ireland when she last received a progress report from General De Chastelain on the decommissioning of terrorist weapons; and if she will make a statement. [83070]

Mr. Ingram: The Secretary of State last met with the Decommissioning Commission on 22 March, the Prime Minister met them on 30 March and I met them on 22 April. The Commission also meets regularly and frequently with both Governments at official level. The Commission continues its discussions with representatives of the various groups and parties

Mr. Donaldson: To ask the Secretary of State for Northern Ireland what have been the total costs associated with the International Commission on Disarmament established to oversee the decommissioning of terrorist weapons. [83071]

Mr. Ingram: The Independent International Commission on Decommissioning is funded jointly by the British and Irish Governments. The total expenditure associated with the Commission shared by both Governments, up to 31 March 1999, was IR £1,905,830.57. The British Government's share of this was STG £803,379.46.

NHS Pay Review

Mr. Simon Hughes: To ask the Secretary of State for Northern Ireland if the pay increases for 1999–2000 agreed by Her Majesty's Government following the NHS Pay Review Bodies' recommendations were included in April salary payments to staff; and if he will make a statement. [83153]

Mr. McFall: The pay increases effective from 1 April 1999 in respect of hospital medical and dental staff employed in the Health and Personal Social Services and covered by the Pay Review Bodies were included in April salaries. However, the salary increases recommended by the Review Body for Nurses and Midwives and Professions Allied to Medicine and Related Grades of Staff who are employed by or in the Health and Personal Social Services in Northern Ireland were not.

Staff employed in the Health and Personal Social Services in Northern Ireland are not subject to the terms and conditions of service negotiated nationally. However, national terms and conditions are replicated, on a parity basis to apply to staff employed in the HPSS.

The recommendations of the Review Body on Doctors and Dentists' Remuneration were agreed with the professions locally and issued to employers on 15 March for implementation. The recommended increase was included in April salaries.

The national Whitley agreements in respect of Nurses and Midwives and Professions Allied to Medicine and Related Grades of Staff were not issued until 8 April 1999 which did not allow sufficient time for a parity agreement to be reached for similar staff employed in the HPSS. Parity agreements are being promulgated and will be issued as soon as possible.

The pay increases for Nurses and Midwives and PAMs staff will apply from 1 April and arrears will be paid where appropriate.

RUC Barracks

Mr. McNamara: To ask the Secretary of State for Northern Ireland on what date and by what legal authority RUC barracks were constructed on property of the Gaelic Athletic Association and grounds of Crossmaglen Rangers; what preparations have been made to vacate these barracks; what functions currently conducted at or from these barracks will be discontinued and what functions will be carried out from which other sites; what preparations for the transfer of functions are being made at other sites; what date has been set as the target for completion of these moves; what compensation or other payments have been made to the owners of this land; and what plans have been made to demolish the barracks and return the site to its previous use. [82503]

Mr. Ingram: The then Secretary of State for Northern Ireland, Merlyn Rees, signed a Requisition Order on 25 June 1974 to take possession of land belonging to Crossmaglen Rangers GAA Club under powers conferred by the Northern Ireland (Emergency Provisions) Act 1973

for the purpose of extending the then existing joint RUC and Army Base. The Requisition Order conveys the right to build or do any other necessary works on the land. The existing Base is sited mainly on land owned by the Police Authority for Northern Ireland.

A portion of this requisitioned land which was outside the perimeter wall of the extended Base was handed back to the GAA Club in April 1995.

A further small strip of land belonging to the Club was requisitioned in May 1991 to create a 3 metre stand-off zone between the rear perimeter wall of the Base and the Club's newly built Social Club. This area was de-requisitioned in April 1995.

On return of the area still held under requisition none of the functions currently carried out at or from these barracks will be discontinued or transferred to other sites. They will be carried out from the reduced base.

Work to clear the site has commenced and will be completed as soon as possible. On completion of the restoration work, the land will be handed back to the GAA Club.

To date, the GAA Club has received £150,000 in compensation and £30,657.53 towards the costs of professional advisers' fees.

TRADE AND INDUSTRY

Employment Agencies

Mr. Ian Bruce: To ask the Secretary of State for Trade and Industry when he will publish the consultation document on the reform of the regulations governing employment agencies. [R] [82395]

Mr. Ian McCartney: My right hon. Friend proposes to publish it during this month.

Foresight

Mrs. Curtis-Thomas: To ask the Secretary of State for Trade and Industry (1) what plans he has for an announcement concerning the Foresight work programmes; and when the announcement will be made; [82724]

(2) if chairpersons have been appointed to each of the panels associated with the next round of Foresight. [82723]

Mr. Battle: The new round of Foresight began on 1 April 1999. A blueprint outlining the structure and remit of the new round was published in December 1998 alongside the Competitiveness White Paper.

Work in the new round is being taken forward by ten sectoral and three thematic panels. Chairs for twelve of the new panels have been appointed as follows:

Thematic panels	*Panel chair*
Ageing population	Jim Stretton, Chief Executive, Standard Life
Crime Prevention	Colin, Sharman, Chairman, KPMG International
Manufacturing 2020	Nicholas Scheele, Senior Vice President, Ford, Europe
Sectoral panels	
Built Environment & Transport	Keith Clarke, Chief Executive, Kvaerner Construction
Chemicals	Dr. Joe Blaker, President, Chemical Industries Association
Defence, Aerospace & Systems	Sir Donald Spiers, Chairman Meggitt plc.
Financial Services	Tim Jones, Managing Director, Retail Banking Services NatWest
Food Chain & Crops for Industry	Deidre Hutton, Chair, Scottish Consumer Council
Healthcare	Sir Michael Peckham, Director, School of Public Policy, University College London
Information, Communications & Media	Joyce Taylor, Managing Director, Discovery Communications Europe
Materials	Professor John Wood, University of Nottingham
Retail & Consumer Services	Sir John Banham, West Country Management
Construction (associate programme)	Tim Broyd, Director, WS Atkins
Marine (form of association to be decided)	Tim Jones, Chief Executive, Lloyds Register

The Chair of the Energy and Natural Environment panel will be appointed shortly.

Work programmes for the panels and panel membership are due to be published in the next few weeks.

World Trade Organisation

Mr. Dafis: To ask the Secretary of State for Trade and Industry if he will list the dates and locations of quadrilateral meetings between representatives of the USA, Japan, Canada and the EU, to be held in preparation for the ministerial conference on the WTO in Seattle in November. [82680]

Mr. Wilson: The next quadrilateral meeting is to take place in Tokyo on 11–12 May 1999. No further meeting has yet been scheduled.

Gas-fired Power Stations

Mr. Evans: To ask the Secretary of State for Trade and Industry (1) if he will make a statement on his Department's progress in dealing with applications for gas-fired power stations in *(a)* Anglesey, *(b)* Baglan Bay and *(c)* Rassau; [82238]

(2) what assessment he has made of the employment involved in *(a)* construction of and *(b)* permanent employment at proposed gas-fired power stations in (i) Anglesey, (ii) Baglan Bay and (iii) Rassau; [82239]

(3) what estimates he has made of the possible investment in Wales resulting from the proposed gas-fired power stations in *(a)* Anglesey, *(b)* Baglan Bay and *(c)* Rassau. [82240]

Mr. Battle: My right hon. Friend the Secretary of State announced on 7 April 1999 the decision not to use powers, under section 14(3) of the Energy Act 1976, to

defer or halt the Baglan Bay project. No decision has yet been taken on Anglesey or Rassau. Planning, local and environmental issues will be considered as part of the process of obtaining clearance under section 36 of the Electricity Act 1989, which has not yet been completed for any of the three proposals.

Employment Tribunals

Mr. McDonnell: To ask the Secretary of State for Trade and Industry if he will provide a breakdown by race of the wing members available to sit at London employment tribunals. [79007]

Mr. Ian McCartney: The table gives details of the ethnic origin of each lay member available to sit in the London employment tribunals. The descriptions given are provided by the members.

Ethnicity	
West Indian/Guyanese	8
Indian	12
Black Caribbean	11
Mixed origin	2
Chinese	2
Black African	2
Sri Lankan	1
Pakistani	1
Anglo Indian	1
Not specified/other	4
Not known	2

Caparo Judgment

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will ask the Law Commission to investigate ways of reversing the effects of the House of Lords' decision in the Caparo judgment. [82930]

Mr. Ian McCartney: I have no plans to do so. However, the question of auditors' duties and responsibilities is an important issue which we need to keep under review and will be addressed within the Company Law Review which is due to report in the Spring of 2001.

Limited Liability Partnerships

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will estimate the number of businesses which could be incorporated as limited liability partnerships. [82934]

Mr. Ian McCartney: It is impossible to give an estimate. Provided they met the statutory requirements eventually set out in any legislation to allow for limited liability partnerships (LLPs), any business could incorporate as an LLP.

It is more helpful to consider how many businesses might be interested in LLP status, given that the vehicle will be voluntary and businesses will need to take a commercial decision about whether it is appropriate for them. The majority of interest is expected to come from those firms already operating as partnerships, though it may also be of interest to new businesses.

At present there are approximately 600,000 partnerships in the UK. These encompass the full spectrum of business and industry and only a minority are likely to seek to become LLPs. Public consultation on a draft Bill and regulations has so far revealed little or no interest from the retail, manufacturing, catering and health sectors. LLPs are therefore likely to be attractive primarily to professionals such as lawyers, actuaries, accountants, and those in the construction industry (including surveyors, architects and engineers). How attractive the vehicle proves in practice would depend on the statutory requirements which are made of it, and whether the structure is considered to be appropriate. However, if one assumes, for example, that 15 per cent. would eventually choose to become LLPs this would suggest a total of 90,000. This is, though, a best guess, and cannot be quoted with any authority.

Although it is impossible to calculate the speed of take-up of LLPs, we expect that it would take a number of years before a figure of 90,000 LLPs was reached.

Company Annual Accounts

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will make it his policy to introduce legislation requiring public limited liability companies to file their annual accounts at Companies House within 90 days of the year end. [82639]

Mr. Ian McCartney: The case for requiring public limited companies to file their annual accounts sooner than the current seven months allows will be addressed in the next phase of the fundamental review of company law. The review is due to report in the spring of 2001.

Small Company Audits

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will introduce legislation to make the definition of the threshold for small company audits consistent with the definition of small company contained in the Companies Acts. [82549]

Mr. Ian McCartney: We keep the current threshold for company audit of a turnover of £350,000 under review and would consult widely on any proposal to change this.

Nuclear Materials (Transport)

Mr. Llew Smith: To ask the Secretary of State for Trade and Industry what assessment he has made of the implications of the declaration of the Association of Caribbean States concerning the transhipment of radioactive wastes and nuclear materials through the Caribbean for plans to send by sea nuclear materials from Sellafield to Japan. [82850]

Mr. Battle: The Government are aware of the declaration. All shipments by sea of nuclear materials are undertaken fully in compliance with all relevant international standards, regulations and recommendations relating to the transport by sea of hazardous cargoes and nuclear materials. Compliance with these standards and regulations, which are developed within, and regularly reviewed by, the International Maritime Organisation and the International Atomic Energy Agency, ensures that the risk to health, safety and the environment posed by the transport of nuclear materials is negligible. The right of innocent passage is a fundamental

principle of the United Nations Convention on the Law of the Sea. Ships operating in compliance with the Convention, and with all applicable international regulations, retain that fundamental right.

Mr. Llew Smith: To ask the Secretary of State for Trade and Industry if he will make a statement on the preferred route to be used to transport by sea nuclear materials from Sellafield to Japan, indicating the criteria used in selecting the preferred routes. [82852]

Mr. Wilson: The choice of route for any such shipment is made taking account of a range of operational factors including weather forecasts and security considerations. The chosen route is normally announced two days after the ship departs from Europe.

Arms Exports (Yugoslavia)

Ann Clwyd: To ask the Secretary of State for Trade and Industry if he will list UK arms exports to Yugoslavia or the former Yugoslavia *(a)* from 1989 to 1991 and *(b)* since May 1997. [82704]

Dawn Primarolo: I have been asked to reply.

Extracting and quality assuring Customs and Excise information relating to UK arms exports to Yugoslavia between 1989 and 1991 could be done only at disproportionate cost.

The first Annual Report on Strategic Export Controls was published in March. Part 3 of the Report contains Customs' statistical information relating to exports of military equipment in 1997.

LORD CHANCELLOR'S DEPARTMENT

Birth Certificates

Mr. Beith: To ask the Minister of State, Lord Chancellor's Department if he will list those purposes for which his Department and its executive agencies require a birth certificate to be furnished by *(a)* employees, *(b)* contractors, *(c)* those applying for employment or contracts and *(d)* other persons. [82822]

Mr. Hoon: Birth certificates are seen only in the case of new recruits. They are used to check the age and identity of the individual, and for nationality purposes. A passport will sometimes be sufficient.

CULTURE, MEDIA AND SPORT

English Sports Council

Mr. Vaz: To ask the Secretary of State for Culture, Media and Sport when he plans to appoint a permanent chair of the English Sports Council. [82326]

Mr. Banks: My right hon. Friend the Secretary of State has now announced that Trevor Brooking has been appointed as the Chair of the English Sports Council for a period of three years.

Youth Sports Unit

Mr. Spring: To ask the Secretary of State for Culture, Media and Sport what *(a)* recommendations and *(b)* reports the Youth Sports Unit has made to date. [81805]

Mr. Banks *[holding answer 28 April 1999]:* The Youth Sports Unit is a part of my team of advisers in DCMS. It does not have an identity separate from Government or publish its own recommendations or reports. Its remit is to work closely with other Government Departments, Sport England (the Sports Councils) and other providers to ensure that youth sport and play maintains a high profile and features in other Government Departments' policies.

The Unit works closely with the Department for Education and Employment on PE in the National Curriculum as well as feeding into initiatives such as Surestart and childcare issues. The Unit liaises with the Department of Health on initiatives to encourage physical activity amongst young people, and officials sat on the Home Office inter departmental working group on Preventing Unsuitable People from Working with Children and Abuse of Trust (PUWCAT). The Unit works to ensure that Sport England has policies that reflect the Government's aim to encourage more young people to participate in sport. It also works alongside Sport England's young people team representing the department on steering groups on schemes such as Sporting Ambassadors, a new Activity Award for primary schools and Sportsmark.

The Unit is represented on the Departmental Policy Action Team (PAT10) Arts and Sport, which has been asked to report on best practice in using arts, sport and leisure to engage people in poor neighbourhoods, on how to maximise the impact on poor neighbourhoods of Government spending and policies on arts, sport and leisure, and to draw up an action plan with targets to maximise the impact of arts, sport and leisure policies in contributing to neighbourhood regeneration and increasing local participation. It has also contributed to work on the forthcoming sports strategy paper, which will promote participation in sport by children and young people.

The Unit is currently considering the responses from the play field to the recent children's play consultation exercise asking about The focus of future centrally funded play services. They were also involved in the Lottery play leaflet issued in May last year and the recent New Opportunities Fund initiatives.

English Tourism Council

Mr. Peter Ainsworth: To ask the Secretary of State for Culture, Media and Sport when he intends to appoint the new chairman of the English Tourism Council. [83032]

Janet Anderson: The recruitment process is under-way and the chairman will be appointed as soon as possible.

Mr. Peter Ainsworth: To ask the Secretary of State for Culture, Media and Sport what will be the remuneration of the new chairman of the English Tourism Council. [83033]

Janet Anderson: The chairman of the English Tourism Council will be paid £36,000 per annum.

Tourism

Mr. Peter Ainsworth: To ask the Secretary of State for Culture, Media and Sport which organisation will in future be responsible for handling consumer inquiries about tourism in England. [83035]

Janet Anderson: As at present, the primary sources of information will be the regional tourist boards and the tourist information centres. The English Tourism Council will have a strategic role to play and will oversee information systems and how their use is developed.

SCOTLAND

CCTV

Sir Robert Smith: To ask the Secretary of State for Scotland how many publicly funded CCTV schemes are operating; if he will list them *(a)* by each local authority area and *(b)* by the date they started operating; and how many schemes are planned to be introduced over the next year. [82444]

Mr. McLeish: Table 1 lists only those schemes (by local authority area) which have been awarded funding from The Scottish Office CCTV Challenge Competition between 1996–97 to 1998–99. Information on other CCTV systems is not held centrally. Information regarding the dates when systems became operational is also not held centrally but the table details the financial year in which grant was awarded to each scheme. Table 2 lists the 18 schemes (covering 14 local authority areas) awarded grant in the 1999–2000 round of the Competition.

Table 1: 1996–97 to 1998–99

Council	*Area covered*	*Year grant awarded*
Aberdeen City	City Centre	1997–98
Angus	Arbroath, Brechin, Carnoustie, Forfar, Kirriemuir, Monifieth, Montrose	1997–98
Argyll and Bute	Campbeltown, Dunoon, Helensburgh	1996–97
Argyll and Bute	Oban	1997–98
Argyll and Bute	Rothesay	1998–99
Clackmannanshire	Alloa	1996–97
Dumfries and Galloway	Dumfries, Stranraer	1996–97
Dundee City	Dundee, Tayside (mobile)	1996–97
East Ayrshire	Cumnock, Galston, Kilmaurs, Kilmarnock, Stewarton	1997–98
East Dunbartonshire	Bishopbriggs	1997–98
East Lothian	Musselburgh	1996–97
East Lothian	Haddington	1997–98
East Lothian	Prestonpans, Tranent	1998–99
East Renfrewshire	Barrhead, Neilston	1997–98
East Renfrewshire	Rouken Glen, Eastwood	1998–99
Edinburgh City	Muirhouse and City Centre	1996–97
Falkirk	Falkirk Town Centre	1996–97
Falkirk	Falkirk Town Centre	1997–98
Falkirk	Grangemouth	1998–99
Fife	Dunfermline, Cupar (mobile)	1996–97
Fife	Fife (mobile), St. Andrews (mobile)	1997–98
Fife	Kirkcaldy Railway Station	1998–99
Glasgow City	Linthouse, Stobhill Hospital, Strathclyde University	1996–97
Glasgow City	Easterhouse, Elderpark, Stobhill Hospital, Strathclyde Passenger Transport	1997–98
Highland	Dingwall, Fort William, Inverness	1996–97
Highland	Inverness	1998–99
Inverclyde	Greenock, Port Glasgow, Gourock	1998–99
Midlothian	Penicuik	1996–97
Moray	Elgin, Buckie, Forres	1997–98
North Ayrshire	Irvine, Whitletts	1997–98
North Lanarkshire	Airdrie, Gowkthrapple, Forgewood, Motherwell	1996–97
North Lanarkshire	Bellshill, Wishaw	1997–98
North Lanarkshire	Coatbridge, Bellshill	1998–99
Perth and Kinross	Perth	1998–99
Renfrewshire	Paisley	1996–97
Renfrewshire	Johnstone	1997–98
Renfrewshire	Renfrew	1998–99
Scottish Borders	Eyemouth, Hawick	1996–97
Scottish Borders	Galashiels, Kelso	1997–98
Scottish Borders	Peebles	1998–99
South Ayrshire	Ayr, Girvan	1996–97
South Ayrshire	Monitoring Station	1998–99
South Lanarkshire	Hamilton	1996–97
South Lanarkshire	East Kilbride	1997–98
South Lanarkshire	Parkburn and Whistleberry, Rutherglen	1998–99
Stirling	Stirling	1997–98
Stirling	Stirling (mobile), Callander	1998–99
West Dunbartonshire	Clydebank	1996–97
West Dunbartonshire	Clydebank, Dumbarton	1997–98
West Lothian	Uphall and Livingston Railway Stations, Linlithgow	1998–99
Western Isles	Stornoway	1996–97

Table 2: 1999–2000

Council	*Area to be covered*
Dumfries and Galloway	Annan, Lockerbie, Moffat, Gretna Langholm, Sanquhar, Dalbeattie, Castle Douglas, Newton Stewart
Dundee City	Dundee
East Ayrshire	Dalmellington
East Ayrshire	Mauchline
Edinburgh City	Thistle Foundation
Glasgow City	Glasgow, Possilpark, Easterhouse
Highland	Mallaig
Midlothian	Bonnyrigg, Dalkeith, Penicuik, Schools
North Ayrshire	Saltcoats, Ardrossan and Stevenson
North Lanarkshire	Craigneuk, Kilsyth, Cumbernauld
Renfrewshire	Paisley
Scottish Borders	Melrose
West Dunbartonshire	Dumbarton
West Lothian	Dedridge

From 1 July 1999, this will be a matter for the Scottish Parliament.

Ministerial Meetings (US)

Mr. Matthew Taylor: To ask the Secretary of State for Scotland how many times Ministers in his Department have held meetings with members and officials in the US Administration since 1 June 1998, indicating the dates and locations of each meeting, the Ministers involved at each meeting and the US department involved in each meeting. [82264]

Mr. Dewar: I met the Under Secretary for Economics, Agriculture and Business Affairs, State Department, and the Special Trade Negotiator, US Trade Representative, on 17 March 1999 in Washington.

Special Advisers

Mr. Tyrie: To ask the Secretary of State for Scotland, pursuant to his answer of 24 March 1999, *Official Report*, column *321*, on special advisers, if he will give the total travel cost of each occasion when *(a)* departmental and *(b)* non-departmental advisers have travelled abroad in an official capacity since 2 May 1997 and the place visited. [82414]

Mr. Dewar: For the period 2 May 1997 to 31 March 1999, Special Advisers in my Department have travelled overseas in an official capacity on four occasions to Brussels, Strasbourg, Bonn and the United States. The total cost of travel and any hotel accommodation is £6,530. All travel complied with the requirements of the Ministerial Code and the Civil Service Management Code.

Registers

Ms Roseanna Cunningham: To ask the Secretary of State for Scotland what is the proposed fee structure for searches of the registers of Scotland by *(a)* solicitors and search lawyers and *(b)* the general public. [82501]

Mr. Dewar *[holding answer 29 April 1999]:* The fee structure for searches in the Registers of Scotland is set out in the Fees in the Registers of Scotland Amendment Order 1999, S1 1999/1085 (S87) which was made on 7 April and came into effect on 21 April 1999. The order introduces uniform fees for searching the Registers for all customers. No distinction is made between solicitors, searchers and the general public. The pertinent fee rates are as follows:

Fees for the provision of information

Search	£
General Register of Sasines	
1. Presentment Book	
(a) Per search against a name	2.00
(b) Per search against an address	2.00
(c) Per search against a minute number	2.00
2. Minute Book	
(a) Per search against a name	2.00
(b) per search against an address	2.00
(c) Per search against a minute number	2.00
3. Search Sheet	
(a) Per search against a name	0.00
(b) Per search against an address	0.00
(c) Per search by search sheet number	2.00
(d) Per view of any individual search sheet	2.00
(e) The provision of information from any other index, volume, document or process	2.00
Land Register of Scotland	
1. Application Record	
(a) Per search against a name	4.00
(b) Per search against an address	4.00
(c) Per search against an application number	4.00
(d) Per search against a title number	4.00
2. Title Sheet	
(a) Per search against a name	4.00
(b) Per search against an address	4.00
(c) Per search against a title number	4.00
(d) Per view of the title sheet affecting one interest in land	4.00
3. Per Index Map Search	2.00
4. The provision of information from any other index, volume, document or process[1]	2.00
5. Register of Inhibitions and Adjudications	
(a) For each group of 6 names or fewer searched against	3.50
(b) For provision of a paper copy of the daily minutes (per day)	96.00
(c) Per search of a specified minute number	1.00

[1] Where on the same occasion a view of the title sheet is made against an entry identified in the course of an initial search as per 2(a) and (b), no fee is payable in respect of the initial search.

Note:

A search includes a print disclosing relevant entries if requested within 7 working days of the date of the original search.

NHS Pay Review

Mr. Simon Hughes: To ask the Secretary of State for Scotland if the pay increases for 1999–2000 agreed by Her Majesty's Government following the NHS Pay Review Bodies' recommendations were included in April salary payments to staff; and if he will make a statement. [83152]

Mr. Galbraith: Authorisation to implement in full the pay increases for 1999–2000, recommended by the NHS Pay Review Bodies, was given to NHS Trusts in Scotland by 8 April. It is for NHS employers to implement the new pay scales as quickly as possible. Some employees have received the pay increases in their April salary. In some trusts this has not been possible but payment will be backdated to 1 April.

From 1 July 1999, this will be a matter for the Scottish Parliament.

Woodland Assurance Scheme

Mrs. Shephard: To ask the Secretary of State for Scotland what assessment he made of the links between Société Générale de Surveillance (Switzerland) and SGS Qualifer prior to granting approval to audit Forestry Commission woodlands for inclusion within the UK Woodland Assurance Scheme. [82938]

Mr. Macdonald: The subject of this question relates to matters undertaken by Forest Enterprise. I have asked its Chief Executive, Dr. Bob McIntosh, to arrange for a reply to be given.

Letter from Bob McIntosh to Mrs. Gillian Shephard, dated 4 May 1999:

The Secretary of State for Scotland has asked me to reply to your Question No 8293 regarding the links between Societe Generale de Surveillance (Switzerland) and SGS Qualifer.

We were aware when accepting the tender for contract that SGS UK Limited is a UK registered company owned by the British SGS Holding UK Limited. They, in turn, are owned by the holding company, Societe Generale de Surveillance (Switzerland). The term QUALIFOR (Quality Forest Management) is the registered trademark used to identify the Group's Certification Programme.

CABINET OFFICE

Anti-Drugs Co-ordinator

Mr. Matthew Taylor: To ask the Minister for the Cabinet Office how many times the United Kingdom Anti-Drugs Co-ordinator has met members and officials of the US Government since he took up his post; and if he will list the dates and locations of each meeting, the US departments involved on each occasion and the names of the US members and officials at each meeting. [82265]

Dr. Jack Cunningham: The United Kingdom Anti-Drugs Co-ordinator and US Government officials and members met on five occasions as follows:

Member	*Position/office*
11–12 June 1998, New York and Washington, whilst attending a special session of the United Nations General Assembly	
General Barry McCaffrey	Director, Office of National Drug Control Policy
Rand Beers	Assistant Secretary, International Narcotics and Law Enforcement
Tom Constantine	Administrator, US Drug Enforcement Administration
Donnie R. Marshall	Deputy Administrator, US Drug Enforcement Administration
Thomas Umberg	Deputy Director, Office of National Drug Control Policy
Jonathan Winer	Deputy Assistant Director, Department of State
Ray Kelly	Under Secretary for Treasury Commissioner Designate, US Customs Service
14–15 October 1998, Miami, whilst attending a drug control conference	
General Barry McCaffrey	
Rand Beers	
18 January 1999, Vienna, attending a United Nations Drugs Control Policy Seminar	
Rand Beers	
Daniel Fantozzi	Director, State Department USA
Thomas Umberg	
Mrs. Adrienne Stefan	US Mission to the UN
Mr. and Mrs. John Ritch	US Ambassador to the UN
25 January 1999, London	
Frank Loy	Under Secretary for Global Affairs, US State Department
17 March 1999, London	
Rand Beers	
George Dragnich	Social Policy Counsellor, US Embassy

FOREIGN AND COMMONWEALTH AFFAIRS

Schengen Agreement

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the bearing of the letter from the Dutch Government of 16 July 1997, regarding the Amsterdam Treaty negotiations, on the United Kingdom's declaration of intent at the Justice and Home Affairs Council to join elements of Schengen. [82298]

Ms Quin: The letter from the Permanent Representative of the Netherlands to the UK Permanent Representative of 16 July 1997 concerned negotiations of the Schengen Protocol to the Amsterdam Treaty.

Following the Home Secretary's statement at the Justice and Home Affairs Council on 12 March, the Government expect shortly to be submitting a formal request to participate in provision of the Schengen aquis, under the terms of the Schengen Protocol and Declaration 45 annexed to the Amsterdam Treaty Final Act. Under this Declaration, the Council is invited to seek the opinion of the Commission before it decides on a request from the UK or Ireland to take part in Schengen provisions, and the Member States undertake to make their best efforts to facilitate such participation.

General Affairs Council

Mr. Hood: To ask the Secretary of State for Foreign and Commonwealth Affairs what was the outcome of the General Affairs Council held in Luxembourg on 26 and 27 April; and if he will make a statement. [82684]

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on negotiations on the establishment of a common statute for MEPs. [82481]

Ms Quin: I attended the General Affairs Council on 26 April and the Association Councils on 27 April, in Luxembourg. The Council adopted the A points listed in document 7517/99 and noted the resolutions, decisions and opinions adopted by the European Parliament in its sessions of 22–23 March, listed in document 6450/99, and 12–16 April. Copies of the documents listing the A points and resolutions will be placed in the House Libraries as soon as they become available.

Western Balkans

The Council expressed its strong and continuing support for maximum pressure on Milosevic's regime to accept the international community's five demands and stop the brutal campaign of torture, forced deportation and murder in Kosovo. It reaffirmed the EU's commitment to contributed fully to the humanitarian effort to relieve the plight of the refugees displaced by Milosevic's policy.

Following the adoption of a Common Position for an EU oil embargo against the Federal Republic of Yugoslavia (FRY) on 23 April, the Council agreed to extend the existing EU sanctions regime in the following ways: a travel ban on Milosevic, his government, senior officials and their families, and on other persons close to the regime; extension of the scope of the freeze of funds; prohibition on private sector provision of export finance in addition to the existing ban on government financed export credit support; extension of the investment ban; widening the scope of the prohibition on the export of equipment for internal repression, and its extension to include goods, services, technology and equipment for the purpose of restoring/repairing assets damaged in the air strikes; discouragement of Member States and sporting organisations from organising sporting events with the FRY; and imposition of a comprehensive flight ban between the EU and the FRY.

The Council also reiterated its strong support for Montenegro, Albania and the Former Yugoslav Republic of Macedonia (FYROM). It welcomed the intention of the European Commission to examine urgently the upgrading of relations between the EU and Albania and the EU and FYROM towards an Association Agreement.

The Council adopted a separate declaration in support of Romania and Bulgaria and agreed to continue work on a possible stability pact for South Eastern Europe.

East Timor

The Portuguese Foreign Minister briefed the Council on the latest round of tripartite talks on East Timor in New York (22–23 April) which concluded that the East Timorese would be consulted on their future status on 8 August. The Irish Foreign Minister also briefed the Council on his recent visit to East Timor.

The Council reiterated its concern at the continuing violence in East Timor and reminded the Indonesian Government of its obligation to maintain security in the territory. The Council asked its relevant bodies and the Commission to consider urgently possible measures to support the consultation process, provide humanitarian assistance, and develop economic and social programmes for the East Timorese.

Niger

The Council agreed that the assassination of President Bare of Niger on 9 April constituted a breach of the essential elements of the Lomé Convention, and that Article 366a procedure should be set in motion. This may lead to the full or partial suspension of co-operation with Niger under the Lomé Convention.

Statute for Members of the European Parliament

The Council reached agreement on a Statute for MEPs. The main elements of the package are: a monthly gross salary of 5,677.22 euro for all MEPs paid by the Community and annually updated in line with inflation; salary to be subject to Community taxation, with an option for Member States to impose an additional top-up national tax; reimbursement of expenses actually incurred in the performance of Parliamentary duties, duly justified by the presentation of invoices; new Community pension scheme; social security provision; and a publicly available Register of MEP's interests.

The text will now be transmitted to the European Parliament for approval. We hope the Statute can enter into force on 20 July, when the new European Parliament meets.

Implementation of the Amsterdam Treaty

The Presidency presented a paper on work in progress to prepare for entry into force of the Amsterdam Treaty. There was some discussion on ECJ preparations for the new Treaty and Commission plans to implement the new data protection and transparency provisions.

Implementation of the Schengen Protocol

The Council gave political agreement to the draft decisions defining and determining a legal base for the Schengen acquis, subject to any technical amendments necessary as a result of the Schengen Executive Committee meeting on 28 April. The Council also approved the draft Schengen/Norway and Iceland agreement, the draft rules of procedure of the Norway/Iceland Mixed Committee and the draft decision on arrangements for implementing the Norway/Iceland agreement.

Russia: Common Strategy

The Council considered preparation of the EU Common Strategy on Russia and welcomed the progress made. It agreed to take work forward so that the Common Strategy could be adopted at the Cologne European Council on 3–4 June.

EU/US Relations

There was discussion of current EU/US trade disputes. Sir Leon Brittan reported on his discussions in Washington on the bananas, hormones and hushkits disputes. On bananas, the Council welcomed the WTO's decision considerably to reduce US sanctions against the EU, and underlined the importance of fully respecting the WTO's rulings without delay. The Council invited the Commission to submit proposals for amending the banana regime by the end of May. On hormones, the Council urged the Commission to intensify its negotiations with the US and Canada with a view to reaching agreement on a compensation package and future possible options for the labelling of meat from hormone-treated cattle. On

hushkits, the Council underlined the importance of quickly reaching a mutually satisfactory solution with the US on this issue.

Burma

The Council renewed the Common Position on Burma for a further six months, expressing its deep concern at continuing human rights violations and repression of the democratic opposition in Burma. It called again on the Burmese regime to take early and concrete steps towards democracy, respect for human rights, and national reconciliation.

Co-operation Council with Ukraine

The Ukrainians described recent developments in the economic situation and noted the need for suitable arrangements for Ukraine's free trade arrangements with Poland and Estonia post enlargement. There was also discussion about the closure of Chernobyl, Justice and Home Affairs issues and Kosovo.

Association Councils

Following the GAC there were successful meetings of the Association Councils with Slovakia, Romania and Estonia on 27 April. They took stock of the preparations for EU membership, and considered the operation of the Europe Agreements. Over lunch the participants discussed Kosovo, Russia and relations with neighbouring countries, including regional co-operation—this included Black Sea Economic Co-operation, Moldova and the Northern dimension.

South Africa

The Commission expects to have its proposal to allow signature of the EU/South Africa Trade, Development and Co-operation Agreement ready in May. The Commission noted that the majority of Member States want a mixed Agreement.

Twinning

The Commission announced that internal problems which have caused delays in paying pre-accession advisers funded under the EU twinning programme with candidate countries in Central Europe have been solved. The Commission anticipate that 80 to 100 advisers will be in place in the candidate countries by the end of the year.

Association of Caribbean States

Mr. Llew Smith: To ask the Secretary of State for Foreign and Commonwealth Affairs when Her Majesty's Government received the text of the Final Declaration of the Second Summit of Heads of State of the Association of Caribbean States, held in the Dominican Republic; and if he will make a statement. [82851]

Mr. Tony Lloyd: We received the text of the Final Declaration following the conclusion of the Summit, the British Ambassador in Santo Domingo having represented Her Majesty's Government in the capacity of Special Guest. I also refer my hon. Friend to the answer given to him today by the Minister for Energy and Industry. We continue to follow with interest the work of the Association as it builds on its role as a vehicle for regional integration and co-ordination.

Geneva Convention (Article 3)

Mr. Dalyell: To ask the Secretary of State for Foreign and Commonwealth Affairs what assessment he has made of the implications of NATO's policy of targeting Serbian television stations for the United Kingdom's commitments under Article 3 of the Geneva Convention (IV) relative to the Protection of Civilian Persons in Time of War. [83029]

Mr. Tony Lloyd: All military actions taken by the UK armed forces are, and will continue to be, conducted in strict accordance with the laws of armed conflict, including the relevant provisions of the Geneva Conventions of 1949 and Additional Protocol 1 (1977).

Sakina Bibi

Mr. Rooney: To ask the Secretary of State for Foreign and Commonwealth Affairs when a decision will be made on the application for entry clearance by Sakina Bibi, Islamabad reference F1777. [83028]

Mr. Fatchett: A decision was made on the application for entry clearance made by Sakina Bibi on 26 April. The Under-Secretary of State for Foreign and Commonwealth Affairs, my noble Friend Baroness Symons, will be writing to my hon. Friend as soon as possible to inform him of the outcome of this application.

WALES

Deep Mines

Mr. Evans: To ask the Secretary of State for Wales how many coal miners are employed in deep mines in Wales. [82241]

Mr. Hain: About 600.

Assisted Areas Maps

Mr. Barry Jones: To ask the Secretary of State for Wales when he proposes to announce the new assisted areas maps; and if he will make a statement. [82731]

Mr. Hain: We are working to complete the assisted areas map review as soon as possible. The Welsh Office is fully involved alongside other Departments to seek the best possible outcome for Great Britain. This is the key objective, rather than an early announcement. As the Under-Secretary of State for Trade and Industry, my hon. Friend the Member for North Swindon (Mr. Wills), said in an Adjournment debate on 26 April 1999, *Official Report*, column 124, we do not expect an announcement before mid-June.

Objective 1 Status

Mr. Barry Jones: To ask the Secretary of State for Wales if he will estimate the population of the area covered by Objective 1 status in West Wales and the Valleys; and if he will make a statement. [82732]

Mr. Hain: The Office for National Statistics mid-year estimates for 1997 give a population of 1,869,000 for the West Wales and the Valleys area.

Modern Apprenticeship Scheme

Mr. Barry Jones: To ask the Secretary of State for Wales what assessment he has made of the modern apprenticeship scheme in *(a)* Wales and *(b)* Flintshire; and if he will make a statement. [82726]

Mr. Hain: The modern apprenticeship programme is one of the main planks in our agenda for improving skills in Wales. Latest figures indicate that Wales has, at over 7 per cent., a proportionately higher than population share of the total of modern apprentices in training in England and Wales. It is our aim to increase the numbers in training from the current 9,100 to 14,000 by the year 2002.

Following the transfer of functions, the modern apprenticeship programme will be a matter for the National Assembly. However, evaluation of the modern apprenticeship programme is undertaken on an England and Wales basis by the Department for Education and Employment and no separate assessment has been made for Flintshire.

Assisted Area Status

Mr. Barry Jones: To ask the Secretary of State for Wales what representations he has received concerning *(a)* assisted area status and *(b)* Objective 2 status in North East Wales; and if he will make a statement. [82734]

Mr. Hain: *(a)* We received 9 representations on assisted area status for North-East Wales in response to the consultation launched on 30 July 1998.

(b) There is currently a consultation process underway on the criteria that should be used for identifying Objective 2 areas across Great Britain. All areas of East Wales not likely to be designated as Objective 1 are eligible for consideration for Objective 2 status. The consultation closes on 25 May.

Mr. Barry Jones: To ask the Secretary of State for Wales what assessment he has made of the impact of the loss of assisted area status for Deeside upon the aerospace industry at Broughton, Deeside; and if he will make a statement. [82735]

Mr. Hain: The assisted areas map has not yet been decided. In responding to the consultation document, Flintshire County Council and British Aerospace set out the case clearly for retaining assisted area status for Broughton. This case is being considered.

Welsh Management Council

Mr. Rowlands: To ask the Secretary of State for Wales how many times the Welsh Management Council has met; and what are the Council's current membership and terms of reference. [82933]

Mr. Hain: The Wales Management Council was relaunched on 30 November 1998, since when it has met in plenary session only once more. In the meantime, however, a sub-group of members has also met four times to oversee a research project commissioned to inform the preparation of a draft 5-year Business Plan.

The Council currently comprises eighteen members—8 employers and 10 representing a variety of constituencies, ranging from education to government. However, the Council is also considering recruiting additional members in order to bring industry/employer representation into the majority.

The Council's Mission is "To shape and promote the development of managers and management in Wales for the benefit of organisations, individuals, and the wider community; in particular, to expand the pool of well qualified managers able to provide effective leadership."

Following the transfer of functions, this issue will be a matter for the National Assembly.

NHS (Strategic Plan)

Mr. Simon Hughes: To ask the Secretary of State for Wales what plans he has to publish a strategic plan for the NHS in Wales. [83187]

Mr. Jon Owen Jones: The intention is to produce a long-term corporate strategy and priorities for NHS Wales and its partners. It will be informed by an examination of the issues bearing upon key service areas. The outcome of the first review, into acute general hospital services, is expected in mid-2000.

Following the transfer of functions, this issue will be a matter for the National Assembly.

NHS (Allocations)

Mr. Simon Hughes: To ask the Secretary of State for Wales what sums have been allocated to each *(a)* health authority and *(b)* NHS trust in Wales for 1999–2000; on what date the allocation was made; and on what dates the moneys will be received by health authorities and NHS trusts. [83255]

Mr. Jon Owen Jones: My right hon. Friend the Secretary of State announced our plans for spending on the NHS in Wales, and for health authorities in 1999–2000, on 30 March. He referred to this in his answer of 31 March 1999, *Official Report*, column *718*. The detailed health authority resource allocations will be issued following the National Assembly elections. In the meantime, health authorities and trusts have been authorised to draw down funding on an interim basis.

Following the transfer of functions, this will be a matter for the National Assembly.

Morriston Hospital

Mr. Simon Hughes: To ask the Secretary of State for Wales when he will announce his decision on the outline business case submitted by Swansea NHS Trust for the development of Morriston Hospital. [83151]

Mr. Jon Owen Jones: The Swansea NHS Trust have submitted an initial strategic outline of their proposals for the development of Morriston Hospital. This was received on 26 April. The Department will be discussing these proposals with the Morgannwg Health Authority and the Trust and will determine whether the business case should undergo further development.

Following the transfer of functions, this issue will be a matter for the National Assembly.

NHS Pay Review

Mr. Simon Hughes: To ask the Secretary of State for Wales if the pay increases for 1999–2000 agreed by Her

Majesty's Government following the NHS Pay Review Bodies recommendations were included in the April payments to staff; and if he will make a statement. [83154]

Mr. Jon Owen Jones: Following the agreement reached with the respective negotiating councils, the Advance Letters promulgating the new salary scales for staff covered by the NHS Pay Review Bodies were issued on 12 March for hospital medical and dental staff and on 8 April for nurses and midwives and the professions allied to medicine. It is then up to individual employers to arrange for the pay increases to be made to their staff as soon as practicable.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Accident and Emergency Departments

Mr. Simon Hughes: To ask the Secretary of State for Wales how much money for improvement of A&E departments has been allocated to the NHS in Wales *(a)* in total and *(b)* by NHS trusts; and on what date the allocations were made for 1999–2000. [83256]

Mr. Jon Owen Jones: On 9 March, following the Budget, my right hon. Friend the Secretary of State announced a Capital Modernisation Fund for Wales of £80 million, over the three years from 1999–2000, to take forward the Government's priorities in Wales, including health, education and preventing crime. The amount to be allocated to the NHS will be announced in due course and will address specific priorities for NHS Wales, not necessarily (as in England) A&E departments.

Following the transfer of functions, this will be a matter for the National Assembly.

Clothing Industry

Mr. St. Aubyn: To ask the Secretary of State for Wales how many jobs were *(a)* created and *(b)* lost in the clothing industry in Wales in the last 12 months. [82051]

Mr. Hain: The Welsh Office Record of Manufacturing Employment shows that since mid 1997, 900 jobs were created in the manufacture of textiles, apparel and dressing of fur and some 2,200 jobs lost.

Following the transfer of functions, this issue will be a matter for the National Assembly.

TREASURY

Stamp Duty

Mr. Loughton: To ask the Chancellor of the Exchequer how much stamp duty and stamp duty reserve tax the Inland Revenue *(a)* received from managers or authorised corporate directors and *(b)* repaid to managers or authorised corporate directors, in connection with (i) dealings in the units of unit trust schemes and OEICS and (ii) dealings in the units of unauthorised unit trusts, over the last three financial years; and how much he anticipates it will receive and repay in the first full year of operation of the new SORT regime announced in Budget Day press release IR17. [R] [79347]

Ms Hewitt *[holding answer 30 March 1999]:* Estimated total gross receipts, repayments and net receipts of Stamp Duty from trading in units of unit trusts and in OEIC shares are shown in the table. The available information does not distinguish between authorised unit trusts, unauthorised unit trusts, and OEICS.

£ million

Stamp duty receipts	*Gross receipts*[1]	*Repayments*[2]	*Net receipts*
1996–97	61	27	34
1997–98	81	43	38
1998–99			
First half year	90	60	30
Second half year	83	76	7
Total 1998–99	173	136	37

[1] Including Stamp Duty liabilities presented to the Stamp Office with matching claims for refunds.
[2] Including the matching refund claims as described in the footnote above.

Receipts of Stamp Duty Reserve Tax under the Budget proposals to replace the current Stamp Duty regime will depend on the future volume of trading in units of unit trusts and in OEIC shares. The new system is designed to be more straightforward to administer and to pave the way for electronic trading of units, while maintaining a broadly consistent approach between dealings in units and dealings in shares. Total tax liabilities under the new system should be broadly similar to the overall net liabilities that would arise from applying the principles underlying the current rules—under which Stamp Duty is charged on surrenders to trust managers and refunds made to avoid a double charge when, as a consequence, the units are cancelled and corresponding amounts of the trust's underlying assets are sold.

Endowment Policies

Mr. Hawkins: To ask the Chancellor of the Exchequer what discussions he has had with the Financial Services Authority and the Personal Investment Authority to ensure that policy-holders surrendering endowment policies are informed of the existence of the traded endowment market. [83100]

Ms Hewitt: None. However, the Treasury keeps under review the case for extending the scope of the Financial Services Act 1986 to include all dealings in traded endowment policies. I am not yet persuaded that the benefits of doing so would outweigh the costs.

Mr. Hawkins: To ask the Chancellor of the Exchequer what estimate he has made of *(a)* the number of consumers who have lost money as a result of surrendering their endowment policies rather than trading them on the open market in each of the last 10 years and *(b)* how much money has been lost by consumers surrendering their endowment policies rather than trading them on the open market in each of the last 10 years; and if he will make a statement. [83099]

Ms Hewitt: No such estimates have been made. The traded endowment market is small. Prices offered for second hand endowment policies are tending to converge with surrender values.

Mr. Hawkins: To ask the Chancellor of the Exchequer what plans he has to accept the recommendations contained in the Office of Fair Trading report, "Vulnerable Consumers and Financial Services", in respect of traded endowment policies. [83101]

Ms Hewitt: None of the recommendations relates to traded endowment policies.

Petrol Prices

Mr. Whittingdale: To ask the Chancellor of the Exchequer if he will list the average retail price of petrol per litre in each member country of the European Union in *(a)* 1993 and *(b)* 1995. [82942]

Ms Hewitt: The average retail prices of petrol in each country of the European Union for the years 1993 and 1995 are published in the DETR publication, Transport Statistics Great Britain 1998 Edition, Table 8.8 (a).

Mr. Whittingdale: To ask the Chancellor of the Exchequer, pursuant to the oral statement by the Economic Secretary on 27 April 1999, *Official Report*, column 242, relating to the price of petrol in European Union member states in 1993, if he will publish the statistics referred to. [82943]

Ms Hewitt: The figures referred to were part of a table, based on OECD data, compiled by the House of Commons Library and were as follows:

Petrol and diesel prices in the European Community: Retail prices per litre

£

	Petrol 1993 Q3	*Diesel 1993 Q3*
Belgium	0.63	0.38
Denmark	0.56	0.32
France	0.64	0.36
Germany	0.60	0.36
Greece	0.54	0.32
Ireland	0.56	0.41
Italy	0.69	0.44
Luxembourg	0.51	0.32
Netherlands	0.71	0.38
Portugal	0.61	0.39
Spain	0.54	0.36
United Kingdom	0.55	0.42

Source:
OECD Energy Prices and Taxes 1993 Q3 CSO Database

I regret that I inadvertently misinterpreted the data relating to petrol prices in the exchanges across the floor of the House on 27 April. I am writing to the hon. Member in full clarification and will place a copy of my letter in the Library.

Maintenance Payments

Mr. MacShane: To ask the Chancellor of the Exchequer if he will make a statement on the treatment of maintenance payments for income tax, working family tax credit and disabled tax credit purposes. [81725]

Dawn Primarolo: Recipients of payments under maintenance arrangements set up on or after 15 March 1988 are not taxable on the payments they receive.

There are different rules for those with maintenance arrangements set up before 15 March 1988. Recipients are taxable on the payments they receive, save that a former wife or husband is not taxable on the first slice of payments up to the level of the married couple's allowance.

From 6 April 2000, people receiving payments under pre 15 March 1988 arrangements will no longer be taxable on them.

For WFTC and DPTC, maintenance payments received by an applicant will be fully disregarded for the purposes of calculating their income in assessing entitlement to WFTC and DPTC.

Lower Earnings Limit

Dr. Lynne Jones: To ask the Chancellor of the Exchequer what estimate he has made of the number of *(a)* men and *(b)* women working (i) less than 16 hours and (ii) 16 hours or more and receiving an income below the lower earnings limit. [82700]

Ms Hewitt: The information requested falls within the responsibility of the Director of the Office for National Statistics. I have asked him to reply.

Letter from Tim Holt to Dr. Lynne Jones, dated 4 May 1999:

As Director of the Office for National Statistics (ONS), I have been asked to reply to your recent parliamentary question on earnings.

The latest estimates available from the UK Labour Force Survey are for the winter 1998–99 (ie December 1998—February 1999) quarter and are shown in the table below. The lower earnings threshold for Class 1 National Insurance contributions in the 1998–99 tax year was £64 per week.

Employees earning less than £64 a week, by total usual weekly hours[1] of work and sex. United Kingdom, winter 1998–99, not seasonally adjusted

Thousands

Usual weekly hours	*All*	*Men*	*Women*
Less than 16 hours a week	1,792	393	1,399
16 or more hours a week	642	184	457
All employees earning less than £64 a week[2]	2,456	590	1,866

[1] Total usual hours includes paid and unpaid overtime and excludes meal breaks
[2] Includes some people who did state their usual weekly hours of work
Source:
Labour Force Survey

Private Pensions

Dr. Cable: To ask the Chancellor of the Exchequer if he will make a statement on the regulation requiring the conversion of private pensions, on maturity, to annuities. [82717]

Ms Hewitt: The purpose of private pension schemes is to provide an income throughout their members' retirement. So pension schemes that cannot themselves guarantee payment of lifetime pensions provide this security by buying annuities.

Bank Charges

Mr. Sheerman: To ask the Chancellor of the Exchequer what evidence his Department has evaluated of the charging practices of United Kingdom high street banks with particular reference to small business customers. [81647]

Ms Hewitt: None at present, though the relationship between the high street banks and small business is one of the issues on which the Banking Review led by Don Cruickshank will be seeking evidence as part of their wider review of the levels of innovation, competition and efficiency in the United Kingdom banking market.

Literacy Skills

Mr. Gibb: To ask the Chancellor of the Exchequer, pursuant to his answer of 21 April 1999, *Official Report*, column *587*, on literacy skills, when he expects comparable figures for later years to be available. [82189]

Mr. Mudie: I have been asked to reply.

There are currently no specific plans to repeat the International Adult Literacy Survey in Britain. The Government are considering "A Fresh Start", the recent report about adult basic skills by Sir Claus Moser. As part of that work we will consider how best to measure levels of literacy and numeracy in the future. This could involve participation in the International Life Skills Survey, which includes a literacy and numeracy element, and is planned to take place in 2001.

Training for Work

Mr. Laurence Robertson: To ask the Chancellor of the Exchequer what plans he has for the future of Training for Work. [82162]

Mr. Andrew Smith *[holding answer 26 April 1999]:* I have been asked to reply.

Training for Work is now known in England as Work Based Learning for Adults (WBLA). The key objective of the programme is to help long-term unemployed people to move into sustained employment by boosting their skills.

A recently published evaluation study shows that clients who participated in the programme spent an average of around 50 per cent. more time in work over the first 18 months after training than others with similar characteristics who did not.

In the light of this, we have allocated a budget of £328 million this year for WBLA in England. This is sufficient to provide opportunities for over 100,000 adults over 25. We have also extended the help available for disabled people and those with basic skills needs.

My right hon. Friends the Secretaries of State for Scotland and for Wales have separate responsibilities for adult training and programmes. These are operated along broadly similar lines to those in England.

HEALTH

Diabetes

4. **Mr. Corbett:** To ask the Secretary of State for Health when he plans to publish a national service framework for patients with diabetes. [81811]

Mr. Hutton: We plan to publish National Service Framework for diabetes in Spring 2001.

Patient Services

18. **Mr. Hinchliffe:** To ask the Secretary of State for Health what steps he is taking to widen the range of services available within GPs' surgeries and primary care centres. [81826]

Mr. Denham: We are committed to modernising the National Health Service and have introduced new arrangements to give patients improved access, convenience and improved range and quality of services. These schemes include Primary Care Groups, Primary Care Trusts, Personal Medical Service Pilots, Local Development Schemes, Health Improvement Programmes, Health Action Zones and NHS Primary Care Walk-in Centres.

Organophosphates

19. **Mr. Llwyd:** To ask the Secretary of State for Health what estimate his Department has made of the number of people currently suffering from the toxic effects of exposure to organophosphate compounds; and if he will make a statement. [81827]

Ms Jowell: Organophosphate compounds are used in many different ways; principally as veterinary medicines and pesticides. There are adverse reactions schemes relating to these products and figures of reported past incidents are published annually. It would not be possible from these data to asses the number who are currently suffering.

Renal Services

20. **Mr. Jack:** To ask the Secretary of State for Health if he will make a statement on the provision of renal services in Lancashire and South Lakeland; and what expenditure per head is planned *(a)* in this area and *(b)* nationally over the next three years. [81828]

Mr. Hutton: Funds for specific services are not separately identified either nationally or within individual Health Authority or NHS Trust allocations. I can confirm, however, that the four health authorities in Lancashire and South Cumbria, working in collaboration with the NHS Executive North West, have identified capital investment of £1 million and revenue spending of about £1 million for next year, to provide 15 new dialysis stations which are expected to be in place by the spring of next year.

NHS Consultants

21. **Dr. Tonge:** To ask the Secretary of State for Health what plans he has to address the discrepancies between the number of accredited specialists in several medical and surgical specialties and the number of consultant posts available in the NHS. [81829]

Mr. Denham: We intend to improve National Health Service workforce planning processes. We are studying the Health Committee's Report on Future NHS Staffing Requirements. Our proposals for further action will be published in due course.

Mr. Flight: To ask the Secretary of State for Health what plans he has to encourage cross-disciplinary working between consultants in NHS hospitals; and if he will make a statement. [81809]

Mr. Denham: The Government's main concern is to ensure that National Health Service patients receive the best quality medical care. The arrangements for clinical governance make it clear that quality is everyone's business and can be delivered only through effective team-working involving all health professionals. We want trusts to pursue optimum flexibility to meet local needs.

NHS Direct

22. **Fiona Mactaggart:** To ask the Secretary of State for Health what estimate he has made of the level of impact of the creation of NHS Direct on the recruitment and retention of nurses in the community and in hospitals. [81830]

Mr. Denham: *NHS Direct* has recruited nurses from many sources including the private sector. *NHS Direct* offers an exciting new career opportunity for nurses, which the Government believe will help to retain nurses in the National Health Service.

23. **Mr. Ronnie Campbell:** To ask the Secretary of State for Health what plans he has to increase the range of services available through NHS Direct. [81831]

Mr. Denham: In April, my right hon. Friend the Prime Minister announced that *NHS Direct* will develop in six new ways: to provide integrated out of hours access to other services; to develop an outreach service for people who may need help or advice; to introduce an online service to other health information; to provide a range of public access points for *NHS Direct*; to produce a new healthcare guide and a related healthcare education programme. These new services which will be developed and piloted in coming months provide further evidence of this Government's commitment to modernise the National Health Service.

Contraceptive Pill

24. **Kali Mountford:** To ask the Secretary of State for Health what advice his Department plans to issue to young women about the long-term health effects of the contraceptive pill. [81832]

Ms Jowell: Information on the risks and benefits of the Pill are given in the information provided to doctors and patients by pharmaceutical companies, the Family Planning Association and the Contraceptive Education Service. Millions of women around the world use oral contraception and there is abundant evidence that taking the Pill appropriately poses less risk to healthy women than pregnancy itself.

Toxic Waste

25. **Mr. Bill O'Brien:** To ask the Secretary of State for Health what health advice his Department issues to people who live near toxic waste tips, with particular reference to pregnant women; and if he will make a statement. [81833]

Ms Jowell: The Department does not consider that current evidence shows that landfill sites taking hazardous waste pose a risk to the health of people living nearby. However, the Government recognise the concern caused by recent reports of an association between birth defects and landfill sites and has commissioned research to investigate this further.

Caesarian Births

26. **Mr. Connarty:** To ask the Secretary of State for Health what assessment his Department has made of the impact of the "Changing Childbirth" Government document on the role of midwives and the level of Caesarian births. [81834]

Mr. Hutton: The Department has made no formal assessment. However, information on elective and emergency caesarean section deliveries by Health Authority and individual hospitals is set out for the first time in the statistical bulletin "NHS Maternity Statistics, England: 1989/90 to 1994–95". This information has strengthened the local audit process. A copy of the bulletin is available in the Library. On the role of midwives, we know from Changing Childbirth pilot project reports that there has been a significant change in midwives' working patterns in both hospitals and the community to ensure that women receive continuity of care in their preferred environment whenever possible.

NHS Dentistry

27. **Mr. Beard:** To ask the Secretary of State for Health if he will make a statement on the availability of, and access to, national health service dentistry. [81836]

Mr. Denham: The Government are aware of the existence of problems of access to National Health dental services in some parts of the country, particularly in some rural areas, which we inherited from the previous administration, and which we have taken positive steps to address through the Investing in Dentistry and Personal Dental Services initiatives.

NHS Staff

28. **Helen Jones:** To ask the Secretary of State for Health what steps he is taking to improve the health of NHS staff. [81837]

Mr. Denham: The National Health Service Executive has produced a wide range of guidance and examples of good practice covering every aspect of improving the health of all staff working in the NHS. Virtually all NHS staff have access to an occupational health service.

NHS Superannuation

29. **Mr. Forth:** To ask the Secretary of State for Health what is his estimate of the total cost to the health service of the proposed changes in NHS superannuation. [81839]

Mr. Denham: I refer the right hon. Member to the reply I gave the right hon. Member for Maidstone and The Weald (Miss Widdecombe) on 26 April 1999, *Official Report*, column 28.

Healthy Living Centres

30. **Judy Mallaber:** To ask the Secretary of State for Health what progress has been made with the establishment of Healthy Living Centres. [81840]

Ms Jowell: The Healthy Living Centre initiative was launched on 29 January 1999. The initiative is being administered by the New Opportunities Fund from £300 million of Lottery money. The application process is underway. The New Opportunities Fund hopes to announce the first successful applicants later this year.

Osteoporosis

31. **Mr. Pike:** To ask the Secretary of State for Health when his Department intends to publish clinical guidelines on the prevention and treatment of osteoporosis. [81841]

32. **Mr. Ben Chapman:** To ask the Secretary of State for Health when he plans to publish clinical guidelines on osteoporosis prevention and treatment. [81842]

Ms Jowell: I refer my hon. Friends to the reply given to my hon. Friend the Member for Birmingham, Selly Oak (Dr. Jones) on 27 April 1999, *Official Report*, column *101*.

Primary Care Groups

33. **Mr. Allan:** To ask the Secretary of State for Health what estimate he has made of the cost to the NHS of new information systems for primary care groups in the years *(a)* 1999–2000, *(b)* 2000–01 and *(c)* 2001–02. [81843]

Mr. Denham: £20 million has been allocated to health authorities in 1999–2000 from the modernisation fund to support the initial information technology and informatics needs of primary care groups (PCGs).

No new information systems have been provided centrally to PCGs. Information management and technology guidance issued to PCGs in March 1999 established that the short term information needs of the PCGs would require them to make the best use of existing information systems and analytical skills.

PFI

34. **Rev. Martin Smyth:** To ask the Secretary of State for Health what assessment he has made of the long-term implications for the health service of the use of the private finance initiative for major capital projects. [81844]

Mr. Denham: An assessment of the long term costs of providing facilities funded by the private finance initiative is made in the Full Business Case. Approval is only given if the scheme demonstrates value for money to the tax payer.

Child Abuse

35. **Ms Moran:** To ask the Secretary of State for Health what measures he intends to take to ensure more effective liaison between health services and other agencies to tackle child abuse. [81845]

Mr. Hutton: The Government are producing new guidance on inter-agency working to protect children, and have made children's welfare a national priority for both the National Health Service and social services. New partnership provisions have been included in the Health Bill to make it easier for the NHS and local government to work together, and the Government have issued a discussion document "Partnership in Action" to consider how to improve joint working in general.

Eye and Dental Checks

36. **Dr. Cable:** To ask the Secretary of State for Health if he will make it his policy to introduce universal free eye and dental checks. [81846]

Mr. Denham: I refer the hon. Member to the reply given today by my right hon. Friend the Secretary of State to the hon. Member for Sutton and Cheam (Mr. Burstow).

Ambulances (Mental Patients)

Mr. Brake: To ask the Secretary of State for Health (1) how many times ambulance staff were involved in conveying people to hospital under the Mental Health Act 1983 in 1998; [79680]

(2) what costs were incurred by the Ambulance Service in assisting in the conveying of people to hospital under the Mental Health Act 1983 in 1998. [79681]

Mr. Hutton: No central records are held that would enable determination of how many times ambulance services convey patients to hospital under the Mental Health Act 1983. Nor is there any requirement for ambulance services to keep local records of this sort.

Psychiatric Services

Mrs. Brinton: To ask the Secretary of State for Health if he will list the number of patients treated by the psychiatric sector of the NHS for the last five years; and if he will give a breakdown by ethnicity. [80661]

Mr. Hutton: Information on ethnicity available centrally is not currently of sufficient quality to publish reliable national figures. We are working with the National Health Service to improve the quality of the data and will publish the results when reliable estimates are available.

Ambulance Service

Mr. Keetch: To ask the Secretary of State for Health if he has any plans to introduce a chief officer rank for the Ambulance Service; and if he will make a statement. [80760]

Mr. Hutton: Ambulance service ranks, including the title of chief officer, are matters for individual ambulance National Health Service trusts. There are no plans to alter this.

Women (Safety)

Ms Beverley Hughes: To ask the Secretary of State for Health what plans the Government have to tackle the problems of *(a)* sexual harassment and *(b)* women's safety in public places. [81711]

Ms Jowell: The Government take the issue of sexual harassment and women's safety in public places very seriously.

In employment law it is well established that sexual harassment constitutes a form of detriment under the Sex Discrimination Act 1975. In addition an Equal Opportunities Commission Code of Practice includes recommendations on how employers can prevent sexual harassment. The Department for Education and Employment has also published leaflets for employers and employees on how to deal with the issue.

In criminal law, the Protection from Harassment Act 1997 makes it an offence for a person to pursue a course

of conduct that they know, or ought to have known, causes another harassment. It carries a maximum sentence of six months imprisonment. A person found guilty of this offence can be made the subject of a restraining order which will prohibit further harassment.

Under section 4A of the Public Order Act 1986 (inserted by the Criminal Justice and Public Order Act 1994) it is an offence intentionally to behave in a way which is likely to cause harassment, alarm or distress. In addition, section 5 of the 1986 Act makes it an offence to behave in a way which is likely to cause harassment, alarm or distress, even when no intent is involved.

On women's safety in public places, the booklet "Your Practical Guide to Crime Prevention" published in 1998 and available from police crime prevention officers, includes advice to women on minimising the risk of assault.

In a statement to the House on 16 March 1999, *Official Report*, columns 902–14, my right hon. Friend the Home Secretary gave details of an additional £150 million being allocated over 3 years to boost crime prevention in areas to which the public have access and where crime is highest. This will help improve women's safety in public places.

The Government are publishing a document in June which will cover all forms of violence against women.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Health if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81762]

Mr. Denham: The Department does use Queen's Counsel in the conduct of its litigation. They are used for important and complex cases. For the remaining cases the Department's position would be as stated in the reply given to my hon. Friend by my right hon. and learned Friend the Attorney-General on 26 April 1999, *Official Report*, columns *1–2*. Approval for off panel counsel is sought from the Attorney-General as necessary.

Information on the number of occasions in the last three years on which the Department has instructed Queen's Counsel could be provided only at disproportionate cost.

Buprenorphine

Dr. Iddon: To ask the Secretary of State for Health when the methadone substitute buprenorphine will be available on prescription in the UK. [82556]

Mr. Denham: Three medicinal products, Subutex 0.4mg sublingual tablets, Subutex 2mg sublingual tablets and Subutex 8mg sublingual tablets, containing buprenorphine were granted marketing authorisations on 21 December 1998. The indications for these authorisations are

"Substitution treatment for opioid dependence, within a framework of medical, social and psychological treatment".

Chronic Fatigue Syndrome

Mr. Kemp: To ask the Secretary of State for Health what studies his Department has (i) commissioned and (ii) evaluated on sufferers from chronic fatigue syndrome/myalgic encephalomyelitis, with particular reference to the proportion who eventually return to *(a)* full-time employment and *(b)* part-time employment. [82653]

Mr. Hutton: We have not commissioned or evaluated any studies that specifically look at the proportion of people with chronic fatigue syndrome/myalgic encephalomyelitis who eventually return to full-time or part-time employment. The main agency through which the Government support medical and clinical research is the Medical Research Council. The Council is always willing to consider new ideas for research and will consider applications on their scientific merits.

The CFS/ME Working Group which began meeting in January this year will also look at the need to identify and commission further research.

Housing Conditions

Mr. Chaytor: To ask the Secretary of State for Health (1) how many press releases his Department has issued publicising action taken by health authorities to prevent illness caused by cold and damp housing; and on what dates they were issued; [82748]

(2) what guidance he has issued to health authorities on ways in which they may promote or assist with schemes to prevent illness caused by cold and damp housing; [82747]

(3) if he will list the health authorities which are currently assisting or promoting schemes to prevent illness caused by cold and damp homes; and if he will make a statement on his policy towards such schemes. [82753]

Ms Jowell: The Department has issued no such press releases. In terms of guidance in this area, the Department has issued a joint Health Service/Local Authority Circular to the National Health Service and local government on the introduction of Health Improvement Programmes (HImPs). HImPs provide the framework for health authorities to bring together all local players to assess local health needs, identify what needs to be done to address national and local priorities and agree how each can contribute. Through this process, health authorities will develop comprehensive local programmes to tackle the wider determinants of ill health, of which cold and damp housing is one. The Department is aware of a number of projects where health authorities and local agencies have taken joint action to tackle ill health exacerbated by cold and damp housing, although no

central record is kept of all such schemes. The Government welcome such projects as positive examples of the kind of joint working at the local level that HImPs are designed to establish.

Ward Closures

Mr. Faber: To ask the Secretary of State for Health (1) if he will list the community hospitals where one or more wards have closed since 1 May 1997, indicating the date of each closure; [82758]

(2) if he will list the community hospitals where there have been bed closures since 1 May 1997, indicating the date and number of beds closed in each instance; [82757]

(3) if he will list each community hospital where closure of one or more wards has been agreed but has not yet taken place, indicating the proposed date of closure in each instance; [82759]

Mr. Denham *[holding answer 30 April 1999]:* Information is not collected centrally about beds or wards at hospital level. Data on beds by ward type are collected annually from National Health Service trusts and are published in *Bed Availability and Occupancy, 1997–98*, copies of which are available in the Library.

Warminster Hospital

Mr. Faber: To ask the Secretary of State for Health (1) when he will reply to the letter of 23 March from the hon. Member for Westbury concerning Ward 2 at Warminster Hospital; [82760]

(2) in what official capacity his Parliamentary Private Secretary met representatives of Warminster Hospital on 21 April; and if he will make a statement; [82762]

(3) if he will list the representations he has received from *(a)* public bodies and *(b)* members of the public concerning the proposed closure of Ward 2 at Warminster Hospital; [82764]

(4) what representations he has received from *(a)* officials of the General and Municipal Boilerworkers Union and *(b)* Bath and District Community Health Council concerning the proposed closure of Ward 2 at Warminster Hospital; [82761]

(5) what discussions he has had with the Wiltshire Health Authority concerning the proposed closure of Ward 2 at Warminster Hospital; [82763]

(6) if he will meet the hon. Member for Westbury and representatives of Warminster Hospital to discuss the proposed closure of Ward 2. [82765]

Mr. Denham *[holding answer 30 April 1999]:* I will be replying to the hon. Member shortly and am giving consideration to his request for a meeting. My right hon. Friend the Secretary of State has received 52 letters concerning the closure of Ward 2 at Warminster Hospital. One of these was from Warminster Town Council, the remainder were from members of the public. No representations have been received from the General, Municipal and Boilerworkers Union or the Bath and District Community Health Council. In addition there have been 319 standard letters received on this matter from members of the public.

My right hon. Friend has had no discussions with Wiltshire Health Authority about the closure of Ward 2 at Warminster Hospital.

My right hon. Friend's Parliamentary Private Secretary, my hon. Friend the Member for Brentford and Isleworth (Ann Keen), met with a GMB sponsored delegation in her capacity as Secretary to the GMB group of members.

Gloucestershire Health Authority

Mr. Laurence Robertson: To ask the Secretary of State for Health if he will estimate the percentage of the settlement for Gloucestershire health authority which will be used to fund the pay award for 1999–2000. [82766]

Mr. Denham: *[holding answer 30 April 1999]:* 35.8 per cent. of the 1999–2000 increase in financial allocation for Gloucestershire health authority will be required to fund the pay review body awards for 1999–2000.

GM Foods

Mr. Baker: To ask the Secretary of State for Health if he will publish the recent report, commissioned by the Government, on the potential health risks of genetically modified foods; if he will place a copy in the Library; and if he will make a statement. [83136]

Ms Jowell: The Chief Medical Officer and the Chief Scientific Adviser were commissioned to prepare a paper on the public health implications of genetically modified foods and this was considered by a recent meeting of the Cabinet Committee on Biotechnology and Genetic Modification. The paper considers how genetic modification is used in the production of food; the theoretical risks that may arise from the introduction of GM foods in the diet and an assessment of the likelihood that these may become real problems.

The draft paper is not yet completed. Work is still being undertaken on it, including the recommendations.

When the paper has been finalised it will be published and copies will be placed in the Library.

South-west Health Authorities

Mr. Drew: To ask the Secretary of State for Health if he will publish the expenditure plans for each health authority in the south west region, indicating those authorities that are making reductions in service; and by how much. [82776]

Mr. Denham: The financial plans of health authorities for the financial year 1999–2000 have not yet been finalised.

Long-term Care

Mr. Field: To ask the Secretary of State for Health when he expects to set out the Government's proposed course of action following the report of the Royal Commission on long-term care. [82657]

Mr. Hutton: While the Commission has been sitting, work has already taken place in many of the areas which their report highlights, such as developing a national strategy for carers and the extension of the direct payments scheme to people aged 65 and over. Where the

Commission is recommending new policies for the future, these proposals will require more detailed consideration over the coming months.

NHS Pay Review

Mr. Simon Hughes: To ask the Secretary of State for Health if the pay increases for 1999–2000 agreed by Her Majesty's Government following the NHS Pay Review Body recommendations were included in April salary payments to staff; and if he will make a statement. [83140]

Mr. Denham: The Advanced Letters promulgating the pay increases for 1999–2000 were issued to the National Health Service on 12 March 1999 for hospital doctors and dentists, and on 8 April 1999 for nursing staff, midwives, health visitors and professions allied to medicine. It is for NHS employers to implement the new payscales as quickly as possible and some employees have received the pay increases in their April salary. In some trusts this has not been possible but payment will be backdated to 1 April.

Patient Nutrition

Helen Jones: To ask the Secretary of State for Health (1) if he will make it his policy to require hospitals to draw up nutritional plans for patients as part of their clinical management; [82770]

(2) what action he is taking to raise awareness of the nutritional needs of patients among NHS trust managers; and if he will ensure that the National Institute for Clinical Excellence develops nutritional standards for hospital nutrition. [82771]

Ms Jowell: Clinical governance is central to the clinical care of patients, and will cover issues such as hygiene and nutrition where they have a direct impact on clinical outcomes. The current *Patients' Charter* includes standards about food in hospitals. Consideration is being given to how these can be taken forward in the new National Health Service Charter, enabling all aspects of nutritional care to be included in the quality agenda.

Standards of nutrition will not be set by the National Institute for Clinical Excellence. NICE will set clear quality standards which will help the NHS by providing information on clinical decision making and best practice and by ensuring that patients have faster access to effective modern treatments.

Long-term Locums

Helen Jones: To ask the Secretary of State for Health what representations he has received on developing an accreditation system for doctors who are long-term locums; and if he will make a statement. [82769]

Mr. Denham: The Audit Commission recommended an accreditation system for long-term locum doctors in its report "Cover Story: the use of locum doctors in NHS trusts" which was published on 21 April.

We are committed to quality assurance and support for all doctors, not just locums. We have already confirmed our support for the General Medical Council's proposals. These will require all doctors to demonstrate that they remain fit to practise in their chosen field, whether employed in a substantive or a locum post in hospitals or general practice. This will be achieved by a process of revalidation of each doctor's GMC registration. The GMC has identified locum doctors as a specific group to which it will need to pay particular attention. We will be working closely with the GMC over the next two years as these proposals are developed.

The Audit Commission makes clear that full and consistent implementation of our "Code of Practice" by trusts will help to assure the appointment, management and quality of locum doctors. We will be looking very carefully at the Audit Commission's findings and their recommendations to see whether we need to take further action to encourage implementation of our *Code* and whether any changes are required.

Nurses (East Sussex)

Mr. Waterson: To ask the Secretary of State for Health what representations he has received about NHS staffing levels for nurses in East Sussex. [81838]

Mr. Denham: Since the beginning of April we have received representations from the hon. Members for Eastbourne (Mr. Waterson) and for Lewes (Mr. Baker), and also the Group Editor of the *Eastbourne Herald* and the *Eastbourne Gazette* about National Health Service staffing levels for nurses in East Sussex.

SOCIAL SECURITY

Incapacity Benefit

Mr. Field: To ask the Secretary of State for Social Security how many people claimed incapacity benefit directly after a period of work, or after a period receiving statutory sick pay, in 1998–99; and of these, how many would not qualify for incapacity benefit under the Government's proposed changes to the contribution conditions. [82695]

Mr. Bayley: Figures for 1998–99 are not yet available. For 1997–98, information on the employment status of claimants is available but is not yet correlated with details of their contributions records.

In 1996–97, the number of new claims for Incapacity Benefit where the employment status was shown as either employed or self employed was 357,000; of these 236,100 came directly from employment and 120,900 after receiving Statutory Sick Pay.

20.7 per cent. of these claims failed to qualify for Incapacity Benefit because they did not meet the current contribution conditions. Had the proposed new contribution conditions applied, 28.5 per cent. of them would not have qualified.

Source:

1 per cent. sample of claimants.

Dr. Lynne Jones: To ask the Secretary of State for Social Security what data he has collated on the number of people receiving incapacity benefit who are capable of work; and what assessment he has made of the implications of this for the reform of the all work test. [82720]

Mr. Bayley: In order to qualify for Incapacity Benefit a person must satisfy a test of incapacity for work, either for their own occupation, (in some cases, and in the shorter term), or under the All Work Test. This does not mean that people who satisfy the All Work Test are unable to do any work at all; it simply establishes that their incapacity is such that it would be unreasonable to expect them to seek work as a condition for getting benefit. In practice, many people who satisfy the All Work Test may be able to do some work if they have the right help and support. Survey evidence shows that around two million disabled people already work and over one million more would like to do so.

Measures in the Welfare Reform and Pensions Bill replace the All Work Test with the Personal Capability Assessment (PAC). The PCA will continue to assess the extent of people's incapacity in order to determine their benefit entitlement, using the same criteria as now. There will be no change in the way in which people qualify for benefit and there is no intention to tighten the gateway.

However, the PCA will also be able to provide information about what a person is capable of doing, despite their medical condition. This information can then be used by Personal Advisers to help them provide the support which disabled people need if they want to return to work.

Dr. Lynne Jones: To ask the Secretary of State for Social Security how many people a year he estimates will lose entitlement to incapacity benefit as a result of the changes provided for in the Welfare Reform and Pensions Bill; and what proportion will be entitled to income support. [82722]

Mr. Bayley: I refer my hon. Friend to the reply I gave my right hon. Friend the Member for Birkenhead (Mr. Field) on 22 February 1999, *Official Report*, column *169*.

Benefits Agency

Mr. Field: To ask the Secretary of State for Social Security what proportion of total payroll for Benefits Agency staff is paid as performance-related pay. [82568]

Angela Eagle: Since 1995 all pay increases have been performance related. Information on the proportion of the total payroll that is paid as performance-related pay is available only at disproportionate cost. To obtain such information would involve looking at each individual member of staff's starting date, pay records, and performance appraisal markings.

Anti-fraud Staff

Mr. Field: To ask the Secretary of State for Social Security how many dedicated anti-fraud staff there are in *(a)* the Benefits Agency and *(b)* the Child Support Agency. [82696]

Mr. Timms: All staff in both Agencies have a vital role to play in reducing fraud and error. In addition, the Benefits Agency has two specialist fraud investigation teams, the Benefit Fraud Investigation Service and the Benefits Agency Security Investigation Service, with 5,472 staff in total. The Child Support Agency has fraud liaison officers who refer cases where fraud is suspected to the Benefit Fraud Investigation Service.

Jobseekers

Mr. Field: To ask the Secretary of State for Social Security (1) what proportion of jobseekers who have been unemployed for *(a)* one year, *(b)* two years and *(c)* five or more years and who return to work become unemployed again after (1) less than 12 weeks and (2) more than 12 weeks but less than 52 weeks; [82634]

(2) what proportion of jobseekers who have been unemployed for *(a)* one year, *(b)* two years and *(c)* five or more years and who subsequently return to work for more than 12 weeks but less than 52 weeks qualify for contributions-based jobseeker's allowance. [82633]

Angela Eagle: Information is not available in the form requested. Such information as is available is in the table.

Proportion of Jobseeker's allowance (JSA) claims that leave JSA for employment and then return at a later date

	Returned to benefit in		
Duration of claim on termination	*(1) Less than 12 weeks (%)*	*(2) More than 12 weeks but less than 52 weeks (%)*	*Proportion of (2) who qualify for JSA(C)on return to benefit (%)*
All duration's	10.6	29.1	26.4
Up to 1 year	10.1	29.1	28.5
1–2 years	14.0	30.5	17.3
2–5 years	13.9	28.1	6.0
5 years or more	11.6	24.1	1.9

Notes:
1. Figures based on claims to Jobseeker's Allowance that terminated in the quarter up to November 1997
2. Percentages are given to one decimal place
3. Figures are based on a 5 per cent. sample and are subject to a degree of sampling error
4. Figures are subject to the reliability of JSA termination codes
5. The proportion who qualify for JSA(C) on their return to benefit is based on the number of claimants in receipt of JSA(C) and those in receipt of income-based JSA who would also qualify through the contributory route.

Source:
Jobseeker's Allowance Statistics Quarterly Enquiries, November 1997 to November 1998.

Mortgage Interest Relief

Mr. Field: To ask the Secretary of State for Social Security if he will list the costs of covering mortgage interest relief of income support claimants for each of the last 10 years. [82567]

Angela Eagle: The information is in the table. Income Support for the unemployed was replaced by income-based Jobseeker's Allowance from October 1996 and the figures are contained in a separate table.

Income Support/Supplementary Benefit cases in Great Britain with mortgage interest 1988–98

£ million

Year	*Number of claimants*	*Estimated annual expenditure*
1988–89	286,000	274
1989–90	281,000	356
1990–91	310,000	554
1991–92	411,000	945
1992–93	529,000	1,214
1993–94	550,000	1,137
1994–95	517,000	995
1995–96	488,000	996
1996–97	377,000	671
1997–98	295,000	501

Income Support/Supplementary Benefit cases in Great Britain with mortgage interest 1996–1998

£ million

Year	*Number of claimants*	*Estimated annual expenditure*
1996–97	94,000	99
1997–98	67,000	144

Notes:

1. Figures are based on a 1 per cent. sample up to and including May 1993 and a 5 per cent. sample thereafter.
2. Figures for 1992–93 onwards are based on an average of payments and numbers of claimants in the inquiry week using an average of the four quarters of the financial year.
3. Figures prior to this are based on numbers and average amounts paid in May of each year.
4. Figures have been rounded to the nearest thousand, and the estimated annual expenditure is rounded to the nearest million pounds.
5. Prior to November 1995 figures on amounts of Income Support Mortgage Interest paid to claimants were published in the Quarterly Statistical Enquiry. From November 1995 onwards these have been replaced by figures on housing costs payable to claimants with mortgage interest payments. This change is due to alterations in Income Support rules and provides a more accurate reflection of the help actually provided to claimants under the housing cost rules. From 1992–93 onwards the estimates that have been used for this answer have been based on amounts of housing requirements payable to claimants with mortgage interest payments, and will include amounts for ground rent and other miscellaneous housing costs, although the majority of the amount is paid for mortgage interest. Figures prior to 1992–93 are not directly comparable with data after this date for this reason.
6. Income Support figures exclude the unemployed from October 1996, as Income Support for the unemployed was replaced by Income-based Jobseeker's Allowance (JSA) from this point.
7. The February 1998 quarterly figure used in the annual 1997–98 JSA figure includes nil mortgage cases (i.e. cases with housing requirements only).
8. JSA estimated expenditure for 1996–97 represents a 6 month estimate from the introduction of income-based JSA, the 1997–98 is an annual estimate.

Sources:

1. Jobseeker's Allowance Statistics Quarterly Enquiries, November 1996-February 1998
2. Income Support Statistics Annual Enquiries, 1988–1993
3. Income Support Statistics Quarterly Enquiries, May 1994–May 1998

Girocheques

Mr. Field: To ask the Secretary of State for Social Security (1) if he will estimate the number of girocheques lost nationally every week; [82626]

(2) if he will estimate the number of Girobank benefit cheques reported lost each week. [82569]

Mr. Timms: The information requested is not available in the format requested. Such information as is available shows that there is an average of 7,263 girocheques reported as either not received, lost, stolen or destroyed, nationally each week.

Mr. Field: To ask the Secretary of State for Social Security what proportion of girocheques are cashed *(a)* in post offices and banks and *(b)* in shops which offer to cash cheques on the spot. [82625]

Mr. Timms: Of the total number of girocheques cashed, 93 per cent. are cashed at post offices and 7 per cent. are presented to banks or building societies for clearance. Information on the proportion of the latter, which have initially been cashed in shops which offer to cash cheques on the spot, is not available.

Angina Sufferers

Ms Walley: To ask the Secretary of State for Social Security what criteria in relation to *(a)* the all work test and *(b)* incapacity benefit appeals determine entitlement to (i) benefit and (ii) fitness for work in the case of sufferers from angina; and how assessment is carried out. [82555]

Mr. Bayley: The All Work Test determines entitlement to all benefits which depend on incapacity for work, including Incapacity Benefit, Severe Disablement Allowance and Income Support paid on the basis of incapacity.

The test does not assess the condition itself but focuses on the effects of the condition on the person's ability to carry out a range of work related activities such as walking, lifting and carrying, vision and so on. Factors such as pain, fatigue and stress in carrying out the activities are taken into consideration. The test is satisfied when a set threshold of incapacity is reached.

Some people with specified severe conditions or disabilities (such as blindness) are automatically treated as "incapable of work" and are exempted from taking the all work test. Some people with angina may satisfy one of the conditions for exemption defined in legislation as a progressive impairment of cardio-respiratory function which severely and persistently limits effort tolerance. In some cases the adjudication officer will decide, in the light of medical advice, that the written evidence shows that the test is satisfied. Other claimants will need to undergo a medical examination in order to assess the level of their incapacity.

There are no separate criteria used by appeal tribunals.

Housing Benefit

Mr. Oaten: To ask the Secretary of State for Social Security what estimate he has made of the number of people aged under 25 years who have been affected by changes to the housing benefit rules introduced since May 1997. [82675]

Angela Eagle: The rules which restrict the amount of rent for Housing Benefit purposes for single young individuals aged under 25 years of age living in the private rented sector, were introduced in October 1996. As of May 1998 33,000 single young people aged under 25 were assessed under the Single Room Rent scheme. Of those, 10,000 were restricted to the single room rent.

Source:

Housing Benefit Management Information System annual 1 per cent. sample enquiries with and without Income Support taken at the last day of May 1997, and provisional figures produced on the second Thursday in May 1998.

PRIME MINISTER

Geneva Convention

Mr. Dalyell: To ask the Prime Minister, what are the responsibilities of *(a)* the Home Office, *(b)* the Foreign

and Commonwealth Office, *(c)* the Lord Chancellor's Department and *(d)* the Ministry of Defence for matters relating to the Geneva Convention. [83030]

The Prime Minister: The Foreign and Commonwealth Office has overall responsibility for International Law including International Humanitarian Law, of which the Geneva Conventions of 1949 form a major component. It maintains close relations with the Red Cross movement including the International Committee of the Red Cross. The Ministry of Defence has responsibility for the application of International Humanitarian Law by the UK's armed forces. The Home Office is responsible for legislation implementing the Geneva Conventions and their Additional Protocols (1977), that is the Geneva Conventions Act (1957) as amended by the Geneva Conventions Amendment Act (1995). The Lord Chancellor's Department has no direct responsibility for the Geneva Convention.

EDUCATION AND EMPLOYMENT

Early Years Education

Mrs. May: To ask the Secretary of State for Education and Employment, pursuant to the oral answer to the hon. Member for Buckingham (Mr. Bercow) of 18 March 1999, *Official Report*, column 1257, on early years education, if he will provide a breakdown of the £8 billion of expenditure on pre-school education over the next three years. [83031]

Ms Hodge: I refer the hon. Member to my reply of 23 March 1999, *Official Report*, columns *200–01*.

New Deal (Young People)

Mr. Field: To ask the Secretary of State for Education and Employment what factors led to people on the pilot of the New Deal for 18 to 24-year-olds remaining on the four month Gateway for over a year. [82573]

Mr. Andrew Smith: Earlier analysis of the small group of young people who are shown as being on the Gateway a year after they started New Deal indicates that the majority have had significant breaks from New Deal. Reasons for breaks include sickness and short-term employment; if a young person leaves the Gateway and subsequently returns within 13 weeks, they will re-enter the Gateway at the point which they left.

Mr. Field: To ask the Secretary of State for Education and Employment (1) how many employers have agreed to take on one or more subsidised employee from the New Deal for 18 to 24-year-olds in each month since January 1998; [82570]

(2) how many employers have agreed to take on their first subsidised employee from the New Deal for 18 to 24-year-olds in each month since January 1998. [82571]

Mr. Andrew Smith: Information about the number of employees taken on by any one employer is not collected centrally and could be obtained only at a disproportionate cost.

However, when agreeing to take on at least one New Deal employee the employer will give their commitment by signing a New Deal Employer Agreement. They are included in the following table showing the number of New Deal Agreements signed each month since January 1998.

Month	*Number of employer agreements signed*	
	In month	*Cumulative*
January 1998	858	—
February 1998	1,010	1,868
March 1998	2,426	4,294
April 1998	5,034	9,328
May 1998	5,347	14,675
June 1998	4,237	18,912
July 1998	3,267	22,179
August 1998	3,467	25,646
September 1998	3,419	29,065
October 1998	3,850	32,915
November 1998	2,476	35,391
December 1998	4,447	39,838
January 1999	2,159	41,997
February 1999	2,350	44,347
March 1999	2,610	46,957

The in-month figure for December 1998 included retrospectively amended data

Mr. Coleman: To ask the Secretary of State for Education and Employment if he will list for the most recent period for which figures are available the proportions of (i) black and ethnic minority and (ii) white participants in the New Deal for Young People programme at *(a)* national, *(b)* London and South East Region and *(c)* Hammersmith and Fulham/Kensington and Chelsea levels, who have (1) joined the Gateway, (2) remained in the Gateway for four months or more, (3) moved into sustained employment and (4) left the New Deal with no known destination. [82745]

Mr. Andrew Smith: The information set out in table 1 shows the number of young people who have joined New Deal since January 1998, the proportion of them moving into sustained employment and the proportion who have left New Deal with an unknown destination for each of the areas requested, up to the end of February 1999.

Table 2 shows the proportion of young people who remained on the Gateway for more than four months. This information is drawn from the latest available cohort who joined New Deal in October 1998.

Table 1

Area	*Starts to New Deal*		*Moved to sustained employment*		*Leaving with unknown destination*	
	Ethnic minority	*White*	*Ethnic minority (%)*	*White (%)*	*Ethnic minority (%)*	*White (%)*
National	34,419	195,820	19	26	22	17
London and South East Region	18,437	36,349	19	26	22	21
Hammersmith and Fulham/ Kensington and Chelsea	551	509	18	23	23	24

Table 2

Percentage

Area	*Spent over four months on the Gateway*	
	Ethnic minority	*White*
National	37	35
London and South East Region	39	35
Hammersmith and Fulham/Kensington and Chelsea	36	43

Mr. Coleman: To ask the Secretary of State for Education and Employment what action he is taking to *(a)* identify and *(b)* track the clients leaving the New Deal for Young People; and if he will make a statement. [82736]

Mr. Andrew Smith: The destinations of young people leaving New Deal are identified and reported in the New Deal Statistical First Release published monthly.

Clients who leave New Deal with an unknown destination are followed through regular monthly surveys to ascertain their destination. In addition, as part of the ongoing evaluation of New Deal, surveys of samples of leavers will be carried out to collect more detailed information about their activities and experiences.

Mr. Maclean: To ask the Secretary of State for Education and Employment what assessment the Government have made of the relative merits of using *(a)* off-flows from the claimant count in the target category and *(b)* an absolute fall in the unemployment count in the target category, to measure the Government's progress in meeting its targets for the new deal for young people; and if he will make a statement. [81749]

Mr. Andrew Smith: Both these measures will be used as part of the comprehensive evaluation of the effect of New Deal on the labour market. However, our full assessment also includes the use of a range of performance measures such as movement from welfare into employment and whether that employment is sustained, its success amongst people with disabilities and people from ethnic minority backgrounds, the level of satisfaction of both participants and employers and improvement in skill levels.

Wirral Metropolitan College

Mr. Ben Chapman: To ask the Secretary of State for Education and Employment if he will publish the terms of the retirement package for the recently retired principal of Wirral Metropolitan College. [82309]

Mr. Mudie: The retirement package for the former Principal of Wirral Metropolitan College provides her with the pension benefits she would have received if she worked until the age of 60. This means that her eligible service was enhanced by just over five years.

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Education and Employment if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81757]

Mr. Mudie: The Department for Education and Employment, through the Treasury Solicitor's Department, predominately uses junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

In civil cases, the two First Treasury Counsel are both junior counsel and they will advise and represent the government without a Queen's Counsel in many of its important cases. In addition, the Attorney-General maintains four panels of junior Counsel whom the Department for Education and Employment, as other departments, is expected to use for the majority of its civil litigation. The approval of the Attorney-General or the Solicitor-General is required before a Queen's Counsel can be instructed to appear for any government department in civil litigation.

In determining the level of counsel to use, the Department will consider the individual circumstances of each case. It will take into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

The Department for Education and Employment instructed three Queen's Counsel in 1996–97, seven in 1997–98 and two in 1998–99. The total cost of instructing Queen's Counsel for each of the last three years was £9,212.00 in 1996–97, £14,617.00 in 1997–98 and £2,878.75 in 1998–99.

Nelson Thomlinson School

Mr. Campbell-Savours: To ask the Secretary of State for Education and Employment if he will make an order under sections 496 and 497 of the Education Act 1996 requiring Nelson Thomlinson school of Wigton,, pursuant to section 411 of the Education Act 1996, to admit a pupil whose name has been communicated to the Minister by the hon. Member for Workington. [82630]

Ms Estelle Morris: My right hon. Friend the Secretary of State is minded to make a direction to require the governors of Nelson Thomlinson School to admit the child concerned and his position is unchanged despite the additional representations which have been submitted by the governing body in support of their case for refusing

admission. Nevertheless, before my right hon. Friend reaches a final decision on whether to use his powers to make a direction, he has asked the local education authority to arrange a meeting at the earliest opportunity between the parents and governors to try to reconcile the differences which have led to the child being refused admission. My right hon. Friend considers that the interest of the child would be served best if this could be achieved. In that event, he expects the child to be admitted to the school shortly. If, however, reconciliation cannot be achieved, and the child is still not admitted, my right hon. Friend will reach a speedy decision on whether to issue a direction to the governing body. I will be writing to my hon. Friend again to inform him of the outcome.

New Deal

Mr. Coleman: To ask the Secretary of State for Education and Employment what plans he has to improve the performance of the private sector-led units of delivery under the New Deal programme; and if he will make a statement. [82737]

Mr. Andrew Smith: The Employment Service is developing a comprehensive strategy for the continuous improvement of the New Deal throughout Great Britain, including those Units of Delivery led by the private sector. That is based on comparisons between Units of Delivery against a set of Core Performance Measures.

Written Answers to Questions

Wednesday 5 May 1999

HOME DEPARTMENT

Special Advisers

Mr. Tyrie: To ask the Secretary of State for the Home Department, pursuant to his answer of 17 March 1999, *Official Report*, column *665*, on special advisers, if he will give the total travel cost of each occasion when *(a)* departmental and *(b)* non-departmental advisers have travelled abroad in an official capacity since 2 May 1997 and the place visited. [82411]

Mr. Straw: For the period 2 May 1997 to 27 April 1999, Special Advisers in my Department have travelled overseas in an official capacity on two occasions to Brussels and once to Washington. The total cost of travel and any hotel accommodation for the visits to Brussels was £433.00. The cost of the visit to Washington was accounted for in the answer given by the Prime Minister to the hon. Member for Lichfield (Mr. Fabricant) on 13 March 1998, *Official Report,* columns *366–67*. Because of the block booking arrangements, the cost per person for travel was £3,500. All travel complied with the requirements of the Ministerial Code and the Civil Service Management Code.

Deaths (Police Custody)

Mr. Mullin: To ask the Secretary of State for the Home Department on what date he received the report of the European Committee for the Prevention of Torture relating to the handling of deaths in police custody; and when he has to respond. [82650]

Mr. Mike O'Brien: My hon. Friend may be referring to the report by the European Committee on the Prevention of Torture on its visit to the United Kingdom and the Isle of Man in September 1997.

We received the Committee's report in April 1998. The Government forwarded a response in October 1998.

Fire Brigades (Millennium Compliance)

Dr. Cable: To ask the Secretary of State for the Home Department if he will list the fire brigades to whose millennium computer preparedness the recent study by Action 2000 drew attention. [82819]

Mr. George Howarth: The results of independent assessments conducted by Her Majesty's Fire Service Inspectorate up to 12 April were reported to the Action 2000 National Infrastructure Forum on 21 April. The latest position is that 45 out of 49 brigades in England and Wales have so far been assessed. Of these, 22 are classified as prepared, and 23 have been given an Action Plan. All are expected to be prepared by September. It is not my intention to name individual brigades at this stage.

Coroners

Dr. Lynne Jones: To ask the Secretary of State for the Home Department if he will publish the syllabus of the programme of training courses organised by his Department for coroners and details of the attendees in each of the past five years. [82699]

Mr. George Howarth: The Home Office courses have contained lectures on the following subjects:

judicial reviews
pre-inquest hearings
dealing with juries
summing up and verdicts
coroners and criminal law
the Attorney-General and the coroner
the role of the pathologist
post mortems
histopathology
forensic pathology
paediatric pathology
toxicology
hospital deaths
mesothelioma and associated respiratory diseases
industrial diseases
disaster management
accident reconstruction
coroners: the Home Office role
computerising coroner records
Home Office statistics
the role of the coroner's officer
the coroner and the media
the Mental Health Act 1983
the Treasure Act 1996
death registration.

Since 1995, some 220 coroners and their deputies have attended Home Office-organised courses. The figures for 1994 are no longer available.

Proxy Voting

Mr. Gordon Prentice: To ask the Secretary of State for the Home Department when he expects to complete his review of proxy voting. [82848]

Mr. George Howarth: The Working Party on Electoral Procedures which I am chairing has been examining both proxy and postal voting along with other electoral issues. I expect to present the Working Party's final report to the Home Secretary in the late summer.

Sexual Offences (Anonymity)

Mr. Steinberg: To ask the Secretary of State for the Home Department if he will assess the *(a)* benefits and *(b)* disadvantages of granting anonymity to defendants in actions for (i) rape and (ii) other sexual offences. [82856]

Mr. Boateng: The Government have no plans to review this area of the law, which reflects the position that, in accordance with the principles of open justice, the press should be able to report the identity of all defendants. By virtue of their right to control proceedings

in court, judges have an inherent power to impose reporting restrictions in exceptional circumstances where there is good reason and it is in the interests of justice.

Animal Experiments

Mr. Fearn: To ask the Secretary of State for the Home Department (1) what is his Department's estimate of the number of animals used in experiments in *(a)* 1996, *(b)* 1997 and *(c)* 1998; [82910]

(2) in how many facilities in the United Kingdom animal experiments are permitted to take place; [83006]

(3) how many project licences were issued in *(a)* 1996, *(b)* 1997 and *(c)* 1998 for animal experiments. [82909]

Mr. George Howarth: Information on the use of animals in scientific procedures is published each year in the Statistics of Scientific Procedures on Living Animals. Table 1a gives details of the number of animals used. In 1996, the total was 2,646,026 and, in 1997, it was 2,573,088.

Figures for animal use during 1998 are being collated and will be published in July.

Scientific procedures must normally be carried out at designated establishments. The Annual Reports of the Animal Procedures Committee 1996 and 1997 list the numbers of such establishments and also give the number of project licences issued. They show that:

300 certificates of designation were in force on 31 December 1996 and 292 on 31 December 1997; and

667 new project licences were granted during 1996 and 919 during 1997.

Figures for 1998 will be published shortly. They will show that there were 286 certificates of designation in force on 31 December 1998 and that 1,104 project licences were granted during 1998.

In specific circumstances (such as field trials), experiments can also take place at places other than designated establishments. Details of the number of such places are not held centrally.

Of the 286 certificates of designation in force on 31 December 1998, 107 were registered as commercial concerns. The number of companies may differ slightly from this: some companies, for example, may hold more than one certificate of designation each covering a different facility.

Illegal Handguns

Mr. Paul Marsden: To ask the Secretary of State for the Home Department how many illegal handguns are estimated to be in circulation in the UK, separately identifying the figure for 9mm Browning automatics; and if he will make a statement. [83060]

Mr. Boateng: There is no reliable estimate of the number of illegal firearms in circulation in this country.

The existence of illegal firearms is of great concern to the Government. We will do all we can to ensure that the police service and Her Majesty's Customs are equipped to target this particular crime. Work is also continuing at international level to address the problems of the illicit manufacture and trafficking of firearms, notably through a Protocol to the proposed United Nations Convention Against Transnational Organised Crime.

Passport Applications

Mr. Stunell: To ask the Secretary of State for the Home Department what measures he plans to reduce waiting times for passport applications; and if he will make a statement. [83138]

Mr. Mike O'Brien: To meet its customers' needs the Passport Agency is now prioritising applications by customers' declared travel dates. Its secondary standard of service target is to give priority to customers' travel needs aiming to meet their declared travel dates for at least 99.99 per cent. of passports issued. The Agency is meeting this target and will continue to do so.

The Agency's aim is to reduce turnround times in all the six regional passport offices to its target of ten days by September and in the meantime to meet customers' declared travel needs. It will do this by injecting additional resources, through system improvements and clear messages to passport applicants on how they can best assist the Agency to meet their needs.

Mr. Stunell: To ask the Secretary of State for the Home Department how many *(a)* new applications and *(b)* applications for renewal of United Kingdom passports were received in each month since January 1998; how many unprocessed applications there were at the end of each month; and if he will make a statement. [83137]

Mr. Mike O'Brien: Information on new and renewal applications and on unprocessed applications is shown in the table.

Month	*New*	*Renewal*	*Work in Progress*
January 1998	179,812	210,465	118,983
February 1998	205,613	221,535	139,879
March 1998	233,839	223,772	168,064
April 1998	192,314	167,118	136,174
May 1998	268,357	202,910	184,505
June 1998	245,467	176,988	204,589
July 1998	233,388	168,073	190,857
August 1998	230,835	179,665	101,300
September 1998	138,630	109,215	86,848
October 1998	125,315	99,087	53,652
November 1998	145,815	117,807	77,423
December 1998	90,208	74,731	61,396
January 1999	166,995	172,346	129,778
February 1999	208,906	188,515	210,292
March 1999	294,787	239,533	222,631

The Passport Agency has encountered a number of operational problems arising from the introduction of new high technology driven passport issuing arrangements into its Liverpool and Newport passport offices. This has caused delays in the processing of non-urgent applications and has increased the backlog of unprocessed work.

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Human Rights

Lorna Fitzsimons: To ask the Secretary of State for the Home Department what approach the Government are taking in relation to statements about the compatibility of new legislation with the Convention rights set out in the Human Rights Act 1998. [83540]

Mr. Straw: A statement under section 19(1)(a) of the Human Rights Act may be made where, in the view of the Minister, the provisions of the Bill are compatible with the Convention rights. In other cases a statement under section 19(1)(b) of the Act should be made: such a statement is not one that the provisions of the Bill are incompatible with the Convention rights but only one to the effect that the Minister is unable to make a statement of compatibility. A section 19(1)(a) statement is a positive statement of compatibility.

If a section 19(1)(a) statement is to be made, a Minister must be clear that, at a minimum, the balance of argument supports the view that the provisions are compatible. Lawyers will advise whether the provisions of the Bill are on balance compatible with the Convention rights. In doing so, they will consider whether it is more likely than not that the provisions of the Bill will stand up to challenge on Convention grounds before the domestic courts and the European Court of Human Rights in Strasbourg. A Minister should not be advised to make a statement of compatibility where legal advice is that on balance the provisions of the Bill would not survive such a challenge. The fact that there are valid arguments to be advanced against any anticipated challenge is not a sufficient basis on which to advise a Minister that he may make a statement of compatibility where it is thought that these arguments would not ultimately succeed before the courts.

Section 19 of the Act applies where a Minister of the Crown is in charge of a Bill, that is, either a Government Bill or a Consolidation Bill. Section 19 does not apply to Private Members' bills: there is no duty to make a statement about their compatibility with the Convention rights. Where the Bill is directly assisted by the Government, however, the Minister responsible for the policy should, as a matter of good practice, express the Government's views on compatibility with the Convention rights during the Second Reading debate.

Criminal Injuries Compensation

Ms Roseanna Cunningham: To ask the Secretary of State for the Home Department how many claims were submitted to the Criminal Injuries Compensation Authority (i) in total and (ii) by the victims of rape and incest; and what percentage in each case were *(a)* processed, *(b)* awarded and *(c)* rejected, in each of the last five years. [83266]

Mr. Boateng: The available data record the number of applications received in a year, the number of claims settled in that year and the outcomes. Claims are not necessarily settled in the year in which they are received, but may be settled in subsequent years. In the following table the term 'rape' includes rape within the family.

	1994–95	*1995–96*	*1996–97*	*1997–98*	*1998–99*
Claims received					
Total number	71,734	75,667	75,032	77,326	75,956
Rape	3,997	3,891	3,581	4,020	3,260
Claims settled					
Total number	64,549	76,225	79,219	79,544	85,493
Rape	905	2,355	2,401	3,018	3,594
Percentage settled attracting monetary award					
Total	58	58	59	57	55
Rape	66	67	69	71	68

Remembrance Day

Mr. Key: To ask the Secretary of State for the Home Department what plans he has to change *(a)* the name of and *(b)* ceremonials associated with Remembrance Day. [83272]

Mr. Mike O'Brien: There are no plans to change the name "Remembrance Day", which is also known as "Remembrance Sunday". Nor are there any plans to change the present arrangements for the official ceremony at the Cenotaph, which are generally recognised as successfully uniting the nation in memory of all those who made the supreme sacrifice and all who mourn them.

The Royal British Legion, which organises the march past the Cenotaph that follows the official ceremony on Remembrance Sunday, has made proposals which will allow greater participation in future years by non ex-Service groups and individuals. My right hon. Friend the Home Secretary has welcomed the proposals for expansion of the march past put forward by the Royal British Legion, and Home Office officials are discussing the details with them.

DEFENCE

Landmines

Ann Clwyd: To ask the Secretary of State for Defence how many of each type of anti-personnel mine are presently held by *(a)* the Royal Air Force, *(b)* the Royal Navy and *(c)* UK Special Forces. [81995]

Mr. George Robertson: The Royal Air Force's stock of 209,625 HB876 bomblets (as at 1 April 1999), the sub-munition for the JP233 runway denial weapon, is being withdrawn from service to comply with the Ottawa Convention and destroyed by a contractor in Germany. Destruction will be completed by 1 January 2000, well ahead of the schedule stipulated under Ottawa of the four years after entry into force of the Convention. No anti-personnel mines are held by either the Royal Navy or UK Special Forces.

Ann Clwyd: To ask the Secretary of State for Defence what *(a)* anti-personnel landmines, *(b)* weapons containing anti-personnel landmines and *(c)* weapons containing anti-vehicle mines equipped with anti-handling devices have been developed by NATO forces carrying out operations in Kosovo. [81993]

Mr. George Robertson: Providing details of those weapon systems being developed by other NATO forces currently carrying out operations in Kosovo is a matter for those nations concerned. The Ottawa Convention, and the Landmines Act 1998, prohibit the UK from developing, stockpiling, using or transferring either *(a)* anti-personnel mines, or *(b)* weapons containing anti-personnel mines. The RAF's stocks of the JP233 Runway Denial Weapon—which is prohibited under the Ottawa Convention—have been withdrawn from service and will be destroyed by 1 January 2000, well ahead of the schedule stipulated under the Ottawa Convention. In the case of *(c)*, the UK's equipment programme (including those weapons in service; being developed in collaboration with other NATO countries; or awaiting procurement decisions) currently contains the following anti-vehicle systems. They are all required to be compliant with the definitions and provisions of the Ottawa Convention and the Landmines Act 1998:

In-service

Barmine: An Anti-Tank mine. No anti-handling device is fitted to this weapon, but disturbance of the mine may, in some circumstances cause it to detonate.

Multiple Launch Rocket System (MLRS) Phase 2: A long-range rocket, deploying anti-vehicle mines. Developed by Germany and procured in co-operation with France, Germany and Italy. The anti-handling device fitted to this weapon would cause detonation after deliberate and sustained movement of the mine.

Under Development

Aimed controlled effect anti-tank mine (ACEATM): A manually deployed anti-tank weapon. Being developed in collaboration with France and Germany. A non-lethal anti-handling device would switch the weapon off if disturbed.

Future Systems

Area Defence Weapon: A manually deployed anti-vehicle weapon. No contract has yet been awarded. A non-lethal anti-handling device would switch the weapon off if disturbed.

Shielder: A vehicle-launched scatterable mine system employing anti-tank mines. No anti-handling device is fitted to this weapon, but disturbance of the mine may, in some circumstances cause it to detonate.

Gulf War (Vaccines)

Mr. Hancock: To ask the Secretary of State for Defence which vaccines or components of vaccines given to Gulf War service personnel contained squalene preparations; and how many British Gulf War veterans have tested positive for the presence of squalene in blood samples. [82286]

Mr. Doug Henderson: Details of the Ministry of Defence's programme to immunise UK troops against the potential threat posed by Iraq's biological weapons during the Gulf conflict were published in October 1997, in the MOD paper "Background to the Use of Medical Countermeasures to Protect British Forces during the Gulf War (Operation GRANBY)". None of the vaccines used for this programme contained squalene. In addition, UK Service personnel would have received other immunisations against diseases which potentially posed a public health threat. So far as has been ascertained, none of the latter vaccines contained squalene either.

Mr. Hancock: To ask the Secretary of State for Defence which vaccines used on Gulf War service personnel were acquired from the USA. [82287]

Mr. Doug Henderson: Details of the Ministry of Defence's programme to immunise UK troops against the potential threat posed by Iraq's biological weapons during the Gulf conflict were published in October 1997, in the MOD paper "Background to the Use of Medical Countermeasures to Protect British Forces during the Gulf War (Operation GRANBY)". This describes in detail how a vaccine against plague was purchased from the US DoD for use by UK forces. None of the other vaccines used for this programme were acquired from the US.

In addition, UK Service personnel would have received other immunisations against disease that potentially posed a public health threat. So far as has been ascertained, none of the latter vaccines were acquired from the US.

Mr. Hancock: To ask the Secretary of State for Defence what progress has been made in the investigation into vaccines used on Gulf War service personnel. [82288]

Mr. Doug Henderson: Details of the UK's anti-biological warfare agent immunisation programme for the Gulf conflict were declassified in December 1996. An explanation of the vaccines used and the reasoning behind the programme was published in October 1997 in the MOD paper "Background to the Use of Medical Countermeasures to Protect British Forces during the Gulf War (Operation GRANBY)". A copy of this publication has been placed in the Library of the House at that time.

A Fact Finding Team within the Ministry of Defence's Gulf Veterans' Illnesses Unit (GVIU) was established in September 1997 to look into the implementation in-theatre of the 1991 programme of immunisation against biological warfare agents. This review is based on oral testimony and extant documentary evidence, with a view to making public as much information as possible. The team's fieldwork was completed last autumn and a paper based on their work, and on other contemporary material that has been located, is in the course of preparation. This will be published once it is completed, which is expected to be within the next three months.

In May 1997, the Government announced the funding of a research programme to investigate the possible adverse health effects of the combination of vaccines and tablets which were given to troops in the Gulf to protect them against the threat of biological and chemical warfare agents. An Independent Panel has been set up to oversee this research programme. The Panel consists of experts in fields of toxicology, immunology, virology, microbiology and epidemiology and includes two members who have been nominated by Gulf veterans groups. The programme as a whole is now expected to take some three and a half years to complete. However, we expect to publish results from the first phase of work during the first half of 1999.

This research involves an in depth study into the potential adverse health effects of interactions between the vaccines which could have been administered to Service personnel at the time of the Gulf War, both with

and without pyridostigmine bromide (PB) which was present in the NAPS tablets given to UK troops in the Gulf War as a pre-treatment against nerve agents.

Investigation of the specific combination of anthrax and pertussis vaccines is a priority element of the programme. The National Institute for Biological Standards and Control (NIBSC) have been asked to repeat the tests they carried out in the late 1990 that led the Department of Health to notify the MOD that it had anxieties about the simultaneous use of anthrax and pertussis vaccines. NIBSC will commence this work later this year, when protocols are finalised. Their programme is expected to run for two years.

Initial dose-ranging work at CBD Porton Down on the physical effects of vaccines and PB in rodents is nearing completion and a meeting of the Independent Panel held in March this year gave CBD permission to proceed with longer term studies to investigate potential cognitive and neurophysical effects of the vaccines/PB combination. NIBSC have also been invited to participate (in particular in the anthrax/pertussis work) and it is intended that a number of other scientific and academic bodies will contribute to the research in due course. It is expected that this study will report towards the end of 2002.

The Independent Panel also approved a study to determine whether CBD Porton Down staff, who have received multiple immunisations including anthrax and plague in the course of their duties, exhibit higher levels of ill-health than their non-vaccinated colleagues. This study is expected to be complete by the end of this year.

Ministerial Meetings (US)

Mr. Matthew Taylor: To ask the Secretary of State for Defence how many meetings his special adviser, Bernard Gray, and Deputy Chief of Defence Procurement (Support) held with members and officials of the US Administration during their visit to the USA on 4 and 5 March; with which US department they met at each meeting; and what was the purpose of their visit. [82247]

Mr. George Robertson: Meetings were held on 5 March with Department of Defence officials to discuss defence industrial co-operation. The meetings were positive. We expect these discussions to continue as part of MOD's normal dialogue with US officials on defence equipment business.

Yugoslav Air Force

Mr. Bercow: To ask the Secretary of State for Defence if he will make a statement on *(a)* the level of Yugoslav air defence capability and *(b)* the threat to NATO aircraft from (i) non-portable, (ii) towed and (iii) self-propelled air defence weaponry, following the initial NATO air campaign. [82474]

Mr. George Robertson: The Yugoslav air defence capability has been and will continue to be damaged by the NATO air campaign. All Yugoslav operational air defence weapons are portable to a greater or lesser extent. Their towed anti aircraft guns present a limited threat to NATO's high altitude air attacks. These guns and their self-propelled air defence weapons still pose a credible threat to NATO aircraft, if operating at low level. NATO continues to take appropriate measures to minimise the threat.

Mr. Bercow: To ask the Secretary of State for Defence how many Yugoslav Air Force (i) MIG-29s, (ii) MIG-21s, (iii) ORAOs and (iv) Galebs are confirmed destroyed by NATO; how many were estimated non-operational before NATO operations over Serbia began; and if he will make a statement on the estimated impact of NATO action to date on Yugoslav Air Force capability. [82473]

Mr. George Robertson: We estimate that NATO has destroyed 70 out of 450 aircraft of all types. This includes seven MiG-29s, 16 MIG-21s and 35 ORAO/GALEB aircraft. Between 5 per cent. and 10 per cent. of their aircraft might have been non-operational before the NATO campaign began. The Yugoslav Air Force continues to fly a limited number of combat missions but NATO action has had a considerable impact on its capability.

Departmental Expenditure

Mr. Hancock: To ask the Secretary of State for Defence what was the basis of the calculation of the cash budget of the Chief of Defence Logistics in 1996–97 in his Department's expenditure plans 1999–2000 to 2001–02, Table 1A. [82515]

Mr. George Robertson: The Defence Logistics Organisation brings together the three single Service logistics commands: the Chief of Fleet Support, Quartermaster General and Air Officer Commanding-in-Chief Land Logistics Command. In order to show comparable figures for the new Chief of Defence Logistics Top Level Budget (TLB) for previous years, the budgets of those former TLBs, which under the earlier Estimates structure were shown on Vote 2 (Defence: logistics services), have been added together. In addition, the total figures for 1996–97 and 1997–98 have been adjusted by the amounts of the loans and grants to and repayments from the Hydrographic Office Defence Agency that had previously been contained within the Chief of Fleet Support TLB but which it has now been decided should be shown separately for all years in Supply Estimates (Vote subhead 1N) and, therefore, in Table 1a of The Government's Expenditure Plans 1999–2000 to 2001–02: Ministry of Defence.

Efficiency Savings

Mr. Key: To ask the Secretary of State for Defence if he will list the *(a)* efficiency savings and *(b)* purchasing reductions which have been (i) identified and (ii) achieved in his Department's cash plan (A) 1998–99 estimated outturn and (B) the 1999–2000 expenditure plans in the Class VI Estimates, Vote 1, for each of votes 1A to 1P, excluding Vote 1N. [82557]

Mr. George Robertson: I will write to the hon. Member and a copy of my letter will be placed in the Library of the House.

Depleted Uranium Weapons

Mr. Gerrard: To ask the Secretary of State for Defence what discussions he has held with his NATO counterparts regarding the use of depleted uranium weapons by NATO forces in current operations in Yugoslavia. [82861]

Mr. George Robertson: I have had no discussions on the use of depleted uranium with my NATO counterparts. The United Kingdom has not used DU ammunition in the Balkans. It is a matter for the individual nations as to what ammunition they employ.

National Insurance Charge

Mr. Chaytor: To ask the Secretary of State for Defence if he will estimate the revenue effect of reducing the national insurance charge by 0.5 per cent. for all those employed in or by the armed forces. [82752]

Mr. Doug Henderson: Based on figures for Financial Year 1999–2000, it is estimated that the revenue effect of reducing by 0.5 per cent. the National Insurance Charges for Armed Forces personnel, will be:

(a) Employees' National Insurance Charges—£16.9 million

(b) Employers' National Insurance Charges—£17.0 million.

Any other personnel employed in support of the Armed Forces—excepting MOD civil servants—are directly employed by contractors. Responsibility for the payment of National Insurance Charges therefore lies with the contractors concerned and not the Armed Forces.

Cranwell

Dr. Tonge: To ask the Secretary of State for Defence how many students are currently training at Cranwell to become officers; and how many are of Afro-Caribbean origin. [83076]

Mr. Doug Henderson *[holding answer 4 May 1999]:* On 29 April 1999, there were 319 Royal Air Force officer cadets undergoing initial officer training at RAF College Cranwell. Within that total, there were fewer than five people who had declared their ethnic origin as Black Caribbean, Black African or Black Other. Detailed figures are not given in order to protect the confidentiality of the individuals concerned.

Sandhurst

Dr. Tonge: To ask the Secretary of State for Defence how many students are currently training at Sandhurst to become officers; and how many of these are of Afro-Caribbean origin. [83072]

Mr. Doug Henderson *[holding answer 4 May 1999]:* As at 1 April 1999, there were 626 British Officer Cadets under training at the Royal Military Academy, Sandhurst. Of this number, there were fewer than five cadets whose ethnic category was classified as either Black African or Black Other. Detailed figures are not given in order to protect the confidentiality of the individuals concerned.

Dartmouth Naval College

Dr. Tonge: To ask the Secretary of State for Defence how many students are currently training at Dartmouth Naval College to become officers; and how many of these are of Afro-Caribbean origin. [83073]

Mr. Doug Henderson *[holding answer 4 May 1999]:* There are currently 348 Royal Navy Young Officers under training at Britannia Royal Naval College Dartmouth. Of these, six are of ethnic origin, although none are currently Black-Caribbean or Black other.

In addition, there are presently 49 Young Officers from a number of overseas countries undertaking training this term. Of these, two are of Black Caribbean origin.

Army Barracks (Gaelic Athletic Association)

Mr. McNamara: To ask the Secretary of State for Defence on what date and by what legal authority Army barracks were constructed on property of the Gaelic Athletic Association and grounds of Crossmaglen Rangers; what preparations have been made to vacate these barracks; what functions currently conducted at or from these barracks will be discontinued and what functions will be carried out from which other sites; what preparations for the transfer of functions are being made at other sites; what date has been set as the target for completion of these moves; what compensation or other payments have been made to the owners of this land; and what plans have been made to demolish the barracks and return the site to its previous use. [82502]

Mr. Doug Henderson *[holding answer 4 May 1999]:* I refer the hon. Member to the answer given by the Minister of State, Northern Ireland Office, my right hon. Friend the Member for East Kilbride (Mr. Ingram) on 4 May 1999, *Official Report*, columns *328–29*.

Commissioned Officers (Ethnic Origin)

Dr. Tonge: To ask the Secretary of State for Defence how many commissioned officers there are in *(a)* the Army, *(b)* the Royal Navy and *(c)* the Royal Air Force; and how many are of Afro-Caribbean origin. [83074]

Mr. Doug Henderson *[holding answer 4 May 1999]:* As at 1 March 1999, the numbers of all commissioned officers, and the number of commissioned officers whose known ethnic category is either 'Black-African' or 'Black-Caribbean' is as shown in the table:

	All ethnic origins	*Black-African*[1]	*Black-Caribbean*[1]
Naval Service	7,733	8	6
Army	12,707	12	12
Royal Air Force	10,798	9	17
Total	31,238	29	35

[1] These numbers are based on the self-classification of ethnic origin used by individual members of the Armed Forces. There are a further 24 officers who have classified themselves as 'Black-Other'.

Defence Evaluation and Research Agency

Ms Dari Taylor: To ask the Secretary of State for Defence if he will make a statement on progress of the study into the options for a public private partnership for the Defence Evaluation and Research Agency. [83391]

Mr. George Robertson: A report on the Public Private Partnership options for the Defence Evaluation and Research Agency was submitted by the Ministry of Defence study team to Ministers on 31 March 1999.

The report detailed the progress of the study to date, setting out the team's analysis and the proposed way ahead. In line with their advice, I have agreed that they should consult on the report's findings with key stakeholders, including other Government Departments,

UK industry and academia, overseas allies, DERA staff and trade unions, before providing me with a final recommendation in the summer.

I would hope to be in a position to make an announcement on the PPP option chosen by the time of the summer recess. However, it is important that all stakeholders are properly consulted and their views taken into account prior to a decision being taken on the final shape of the PPP.

A copy of the consultation document has been placed in the Library of the House.

Defence Logistics Organisation

Mr. Jim Cunningham: To ask the Secretary of State for Defence if he will make a statement on the location of the permanent headquarters for the Defence Logistics Organisation. [83539]

Mr. Doug Henderson: We have undertaken a comprehensive investment appraisal and business case study to inform a decision on the location of the headquarters of the Defence Logistics Organisation (DLO) following its Foundation Year. I am now able to announce that, subject to full consultation with the Trades Unions, the headquarters will be based from 1 April 2000 at Ensleigh in Bath. The headquarters will comprise only a very small proportion of the DLO's staff, but its new location is the best site to enable it to drive forward the revolution in logistic support, deliver the full scale of early business improvements expected from the newly unified organisation, work closely with the Defence Procurement Agency to develop the Smart Procurement initiative and meet the DLO vision to excel as an integrated and responsive defence logistics team. Once agreement is reached with the Trade Unions, transition planning will begin in earnest with the aim of a progressive move to the new location completed by 1 April 2000.

EDUCATION AND EMPLOYMENT

Business Closures

Mr. Peter Bradley: To ask the Secretary of State for Education and Employment what support his Department provides for profitable medium-sized businesses facing closure as a result of multi-national corporations rationalising their operations. [82375]

Mr. Andrew Smith *[holding answer 29 April 1999]:* The closure of any successful business, whether operated by a foreign or indigenous company, is always a matter for regret. The DTI's Invest in Britain Bureau and its partners seek to ensure that, where multi-national firms are considering global rationalisation, the case for the UK is put forward strongly to local management. However, commercial decisions taken in the light of world market conditions rest with the companies themselves.

In circumstances where there are redundancies, the Employment Service stands ready to give the maximum possible assistance to those affected, including counselling, careers guidance and advice on re-training opportunities. In offering support the Employment Service takes account of the skills and experience of the employees being made redundant and local labour market conditions. The Employment Service has also targeted help in cases where there are large scale redundancies by setting up Rapid Response Units. These have been established to offer a wide range of co-ordinated support, and to assist people who have unfortunately been made redundant to find jobs quickly.

Discrimination (Sexual Orientation)

Mr. Cotter: To ask the Secretary of State for Education and Employment what plans he has to introduce protection from discrimination in the workplace for lesbians and gay men. [83020]

Ms Hodge: We are currently considering our response to the Equal Opportunities Commission's recommendations, following their review of the current sex discrimination legislation. One of the EOC's proposals was that there should be legal protection for gay men and lesbians. We are considering carefully the Commission's recommendations, including whether or not legislation is the most appropriate route.

Roman Catholic Secondary Schools (London)

Dr. Tonge: To ask the Secretary of State for Education and Employment how many pupils there are in Roman Catholic secondary schools in London; and how many are of Afro-Caribbean origin. [83075]

Ms Estelle Morris *[holding answer 4 May 1999]:* In January 1998 there were 59,030 pupils in Roman Catholic maintained secondary schools in London, of which 4,438 were of Black Caribbean background and 4,835 of Black African background.

A and AS Courses

Mr. Willetts: To ask the Secretary of State for Education and Employment when he expects the QCA to give final approval for the specifications submitted to it by awarding bodies for new A and AS level courses; and when he expects specimen papers, specifications and marking schemes to be circulated to schools. [83289]

Mr. Mudie *[holding answer 4 May 1999]:* The Qualifications and Curriculum Authority intends to produce by September 1999 synopses of all proposed AS and A level specifications to be introduced for teaching from September 2000. After final approval, the new specifications, together with sample assessment materials and marking schemes, will be published and distributed to schools and colleges by the awarding bodies in December 1999. Although the final specifications will not be available until later in the year, I understand that the awarding bodies plan to make detailed information on their draft specifications available to schools and colleges as soon as possible after they have been submitted to QCA later this Spring.

Employment Service

Mr. Stephen Twigg: To ask the Secretary of State for Education and Employment what performance targets will be set for the Employment Service in 1999–2000. [83463]

Mr. Blunkett: The Aim of the Employment Service is to contribute to high levels of employment and growth, and to individuals leading rewarding working lives, by

helping all people without a job find work and employers fill their vacancies. This aim is supported by six key Objectives.

I am today announcing the targets I have set the Employment Service for 1999–2000 for each of its Objectives.

Objective A: To help people into work by providing the appropriate advice, guidance, training and support either directly or in partnership with others.

Target:

1. To place 1.25 million unemployed people into work.

Objective B: To concentrate efforts on helping people improve their employability and move from welfare to work particularly if they have already spent long periods without a job.

Targets:

2. To place 190,000 long-term (6 months plus) JSA claimants into work.
3. To place 38,000 JSA claimants out of work for 2 years or more, including New Deal for over 25s participants, into work:
4. To place 100,000 New Deal for 18–24 participants into work;
5. To place 15,000 New Deal for Lone Parents participants into work;

Objective C: To involve people with disabilities in the world of work by helping them to find and retain jobs and encouraging employers to open more opportunities to them.

Target:

6. To place 85,000 unemployed people with disabilities, including New Deal for Disabled People participants, into work.

Objective D: To set out clearly the rights and responsibilities of people who claim Jobseeker's Allowance and ensure that throughout the period of their claim these rights and responsibilities are fulfilled.

Target:

7. To ensure the correct application of the JSA process in at least 96 per cent. of cases checked in quarter four of 1999–2000.

Objective E: To provide a courteous and professional customer service to all jobseekers.

Target:

8. To achieve an 87 per cent. customer service delivery rate.

Objective F: To deliver these services cost effectively.

Targets for the Employment Service in Scotland and Wales, derived from the national targets, will be announced shortly.

I am also announcing today a review of the aims, Objectives and targets of the ES for the year 2000 and beyond, to ensure they continue to be an accurate reflection of the key role ES has to play in the implementation and operation of our employment policies.

Correspondence

Mr. Collins: To ask the Secretary of State for Education and Employment when he intends to reply to the letter sent to him by Karen Lloyd and Sarah Varnan of Windermere Road, Kendal on 23 February. [83183]

Mr. Mudie: I am afraid there is no record of the original letter to the Secretary of State having been received in the Department. However, the correspondents copied their letter to the Prime Minister on 19 April. A copy arrived in the Department from the Prime Minister's office on 30 April. We will reply within the timetable set by the Department's Correspondence Standard, ie 15 working days from receipt.

Youth Service

Mr. Dawson: To ask the Secretary of State for Education and Employment if he will make a statement on the future of the Youth Service. [83296]

Mr. Mudie: We are currently considering a range of proposals supporting the requirements of young people, including the role of the youth service. The nature and timing of our planned consultation on the future of the youth service will need to be determined once the youth service's part in the wider agenda has been firmly established. An announcement will be made in due course.

Acting Heads and Deputy Heads

Mr. Don Foster: To ask the Secretary of State for Education and Employment if he will list by local education authority how many acting heads and acting deputy heads there were in January 1999 and in each of the last three years in maintained schools in England and Wales, listing separately *(a)* primary schools and *(b)* secondary schools. [80676]

Ms Estelle Morris *[holding answer 23 April 1999]:* The information requested is not held centrally.

An Office for Manpower Economics sample survey of vacancies and recruitment in schools in the maintained sector in England and Wales at September 1998 estimated that the proportion of acting heads was about 3 per cent. and the proportion of acting deputy heads was about 6 per cent.

Teachers may take on a job in an acting capacity when another post is vacant or the incumbent is absent because of sick, compassionate, study or training leave.

SOCIAL SECURITY

Appellants (Payments)

Mr. Levitt: To ask the Secretary of State for Social Security how many independent tribunal decisions to allow payments to appellants there were in the last year; and how many of these were paid to the claimant *(a)* within one month, *(b)* between one and two months and *(c)* after more than two months after the decision. [83067]

Angela Eagle: The latest available statistics indicate that for the period 1 December 1997 to 30 November 1998, a total of 261,255 appeals were heard and decided. Of these, 87,986 [33.7 per cent.] were in the appellant's favour. Information is not kept about what proportion of these resulted in payments to appellants or how soon after the Independent Tribunals' decisions such payments were made.

Giro Cheques

Mr. Field: To ask the Secretary of State for Social Security what steps he has taken to ensure that giro cheques cashed in shops offering to cash cheques on the spot are being legitimately encashed by claimants. [82632]

Mr. Timms: The administration of benefits is a matter for the Chief Executive of the Benefits Agency, Peter Mathison. I have asked him to reply to my right hon. Friend.

Letter from Alexis Cleveland to Mr. Frank Field dated 4 May 1999:

The Secretary of State for Social Security has asked Peter Mathison to reply to your recent Parliamentary Question asking what moves he has taken to ensure that giros cashed in shops offering to cash cheques on the spot are being legitimately encashed by claimants. As Mr. Mathison is away from the office on leave, I am replying.

Current banking law allows cheque shops to exchange giros for cash and clear them through their own bank account.

The Benefits Agency is aware of the risks this poses to its girocheques and is taking steps within the legislation to minimise the problems. For instance, the Benefits Agency has worked closely with the British Cheque Cashers Association (BCCA) and is establishing a formal memorandum of understanding with them to improve cooperation between our organisations. The BCCA is a trade association for cheques shops with over six hundred members which promotes a code of practice setting out various security measures to be observed. At local level there are examples of good liaison between individual cheque shops and BA fraud investigation teams.

In addition the Benefits Agency is currently reviewing the end-to-end payment process to identify the areas of risk in order to plan further security improvements.

I hope you find this reply helpful.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Genetically Modified Crops

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions if he will increase the time allocated by Health and Safety Executive inspectors to the inspection of genetically modified trial crop sites. [74867]

Mr. Meacher *[holding answer 5 March 1999]:* The time allocated for Health and Safety Executive inspection of genetically modified trial crop sites has been increased in 1999–2000 by about 15 per cent. compared with the previous year.

Ms Drown: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to use research data from other countries on the ecological impact of genetically engineered of crops in order to avoid the need to plant such crops in this country for research purposes. [79488]

Mr. Meacher: All available research data are used, including data from other countries, when making assessments. However, the UK ecosystem is unique and therefore information from other countries is not always relevant. Some research trials are statutory, for example trials in respect of the UK National List of Seeds, and these must be grown and assessed in the UK.

Mr. Stinchcombe: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to improve the mechanisms for informing local communities of genetically modified crops being grown in their area. [82259]

Mr. Meacher: Information on the location of trials of genetically modified (GM) crops is currently available on the public register held in my Department. Outside of London, details of local releases are available at the regional offices of the Environment Agency and in Scotland at both the offices of the Scottish Office and the Health and Safety Executive, Edinburgh. The information is also available on my Department's website. Copies of register entries for particular releases are available by post on request. In addition, anyone applying for a release consent must publish a notice in a newspaper circulating in the areas likely to be affected by the proposed release. We continue to examine ways of improving the availability of information to local communities of GM crop trials but have no plans at present to change existing mechanisms.

Genetically Modified Engineering

Mr. Llew Smith: To ask the Secretary of State for the Environment, Transport and the Regions if he will list each *(a)* biotechnology and *(b)* other company which has asked the Advisory Committee on Releases to the Environment to keep confidential papers or information which it has provided to the committee on genetically modified engineering. [77942]

Mr. Meacher: The legislation requires the Secretary of State to keep certain information confidential if requested to do so by the company concerned. Such information is limited to the protection of intellectual property rights for which a patent application is being made. The information is placed on the public register once the patent has been granted. Otherwise all the information in the application for consent to release or market a GMO is available on request. All the information submitted with an application is available to the Advisory Committee on Releases to the Environment.

The following companies have asked the Secretary of State to treat elements of their applications as commercially confidential under the terms outlined above:

Zeneca Plant Science Limited
Plant Breeding International
Advanced Technologies (Cambridge) Limited
Nickerson BIOCEM Limited
Shell Research Limited
Rhone-Poulenc Agriculture Limited
Maribo UK Limited
Ciba-Geigy Limited
Sharpes International Seeds Limited
The Scottish Agricultural College
Genetic Systems NV
Genetics Limited
Agrevo UK Limited
Novartis Seeds Limited
Monsanto Plc
Scottish Crop Research Institute
Pioneer Genetique SARL
John K. King and Sons Limited
CPB Twyford Limited
The University of Leeds.

A1/M1 Link Road

Mr. Willis: To ask the Secretary of State for the Environment, Transport and the Regions how many vehicles used the A1/M1 Yorkshire link road in its first full month of operation; what was the total sum paid to Yorkshire Link under the design, build, finance and operate contract; and if he will make a statement. [81898]

Ms Glenda Jackson *[holding answer 23 April 1999]:* I have asked the Chief Executive of the Highways Agency, Mr. Lawrie Haynes, to write to the hon. Member.

Letter from Lawrie Haynes to Mr. Phil Willis, dated 5 May 1999:

M1-A1 link road—volumes of traffic

As you know, the Parliamentary Under Secretary of State for the Environment, Transport and the Regions has asked me to reply to your recent Parliamentary Question. You asked "how many vehicles used the M1-A1 Yorkshire Link road in its first full month of operation; what was the total sum paid to Yorkshire Link Ltd. under the design, build, finance and operate contract".

Traffic volumes vary along the length of the new link road. In its first full month, the average vehicle usage was 1.5 million vehicles. Approximately 20% of these were heavy goods vehicles.

The estimated cost to public funds is measured by the Expected Net Present Value of the shadow toll payments by the Highways Agency over the 30-year life of the contract. The exact payment will depend on traffic flows. The expected range is between £186m-£281m over the 30-year period. It is not possible to provide more detailed information, since this is commercially sensitive and protected by confidentiality clauses in the contract which pre-date the Open Government initiative on disclosure of information.

Additional information on this contract can be found in the National Audit Office Report "The Private Finance Initiative. The first four Design, Build, Finance and Operate Roads Contracts", which was published on 28 January 1998.

I trust the above information meets your requirements.

Millennium Compliancies

Dr. Cable: To ask the Secretary of State for the Environment, Transport and the Regions if he will list the local authorities identified by the Year 2000 Taskforce as giving cause for concern in terms of their millennium computer compliance preparations. [82821]

Mr. Meale: As Action 2000 stated at their National Infrastructure Forum on 21 April 1999, at this stage of the evaluation process they are not naming any organisations. At the next Forum meeting, on 13 July, the Government Offices for the Regions, as the Millennium Bug responsible bodies for local authorities, fully expect to be in a position to report progress on all local authorities.

West Midlands Regional Development Agency

Mr. Keetch: To ask the Secretary of State for the Environment, Transport and the Regions what steps he has taken to ensure that Herefordshire is adequately represented on the West Midlands Regional Development Agency; and if he will make a statement. [82823]

Mr. Meale: Our primary concern in appointing the board members of Regional Development Agencies was to choose people with a wide range of experience who would make an effective contribution to the work of the boards. Members should not consider themselves to be the delegates of any group, body or geographical area but should take into account the interests of the region as a whole.

SSSIs

Mr. Oaten: To ask the Secretary of State for the Environment, Transport and the Regions if he will list the designated areas of special scientific interest that have been subject to inappropriate development since May 1997. [82676]

Mr. Meale: I refer the hon. Member to the reply I gave the hon. Member for Bath (Mr. Foster) on 28 April 1999, *Official Report*, column *144*.

Unauthorised Camping

Mr. Pound: To ask the Secretary of State for the Environment, Transport and the Regions what proposals he has to assist councils faced with the cost of cleaning up land from which travellers have been evicted. [82719]

Mr. Raynsford: We have published, jointly with the Home Office, good practice guidance for local authorities and the police on managing unauthorised camping. The good practice recognises that the cost of clearing up after unauthorised encampments can be high, and suggests that costs might be reduced by the provision of refuse collection and disposal services during the encampment.

We want to encourage local authorities to think creatively about how best to manage unauthorised camping. Part of their thinking may involve the provision of temporary, serviced sites as advised in Department of the Environment Circular 18/94 "Gypsy Sites Policy and Unauthorised Camping", and latterly in the good practice guidance.

Radar

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions if civil airlines flying into United Kingdom airports are required to have radar enabling their pilots to detect other planes or flying objects directly below them. [82849]

Ms Glenda Jackson: Many passenger transport aeroplanes flying in UK airspace already have an airborne collision avoidance system installed and operating. This system is known as Traffic Alert and Collision Avoidance System (TCAS) II. It can provide advisory information including recommended avoidance manoeuvres to the pilot if another aircraft equipped with an operating transponder beacon is likely to pass too close. The intruder aircraft may be coming from any direction and may be above, below or at the same level as the aeroplane equipped with TCAS.

With effect from 1 January 2000, all aeroplanes with more than 30 passenger seats or with a maximum take off mass that exceeds 15,000 kilogrammes will need to be equipped with an improved version of TCAS II that offers enhanced operational performance. It is intended that by 1 January 2005 this requirement should be extended to all aeroplanes that have more than 19 passenger seats or a maximum take off mass of more than 5,700 kilogrammes.

BEST Pensions

Mr. Rendel: To ask the Secretary of State for the Environment, Transport and the Regions (1) what offer has been made by the Government to the BEST pension trustees; and what was the response; [82678]

(2) for what reasons the BEST pensions issue remains unresolved; [82677]

(3) how many meetings his officials have had with officials in other Government departments, regarding the BEST pension fund, since 15 September 1998. [82682]

Ms Glenda Jackson: Discussions about achieving a just out-of-court settlement of this issue are proceeding. We continue to attach high importance to bringing the discussion to a satisfactory conclusion without any unnecessary delay.

Officials from other Departments have been kept fully informed of matters affecting their Departmental interests.

Radioactive Iridium (Stansted)

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions if he will make a statement on the circumstances whereby a package of radioactive iridium was discovered at Stansted Airport. [83123]

Ms Glenda Jackson: I understand that this package, which was misdirected from the United States, arrived at Stansted Airport on Saturday 24 April 1999, as part of a normal shipment of radioactive material, and was placed in Federal Express's radioactive material store. When it was recognised that this package did not belong in the United Kingdom, the consignor was contacted and its proper destination ascertained. The package was returned to the United States on Monday 26 April 1999. At no time did it leave the control of Federal Express during its brief stay in the United Kingdom. The material was correctly contained in a package approved by the US Nuclear Regulatory Commission and the US Department of Transportation in compliance with the requirements of the International Civil Aviation Organization's Technical Instructions for the Safe Transport of Dangerous Goods by Air (Class 7) which governs the international transport of dangerous goods by air. I also understand that the package bore the appropriate markings and the correct labels, enabling it to be properly and safely handled. I would emphasise that the package at no time posed any threat to the health of workers, the public or to the environment.

The Civil Aviation Authority is investigating the circumstances of how the package came to the United Kingdom.

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions what action was taken to safeguard *(a)* human health and *(b)* the environment following the discovery of a radioactive package of iridium at Stansted Airport. [83132]

Ms Glenda Jackson *[holding answer 4 May 1999]:* On arrival at Stansted Airport, the package was placed in a dedicated and licensed radioactive store of Federal Express where it remained until it was returned to the United States. I understand that the package bore the appropriate markings and the correct labels, enabling it to be properly and safely handled. There was at no time any hazard to human health or to the environment.

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions if the package of iridium found at Stansted Airport was transported there on a passenger-carrying aircraft. [83135]

Ms Glenda Jackson *[holding answer 4 May 1999]:* This package arrived on a Federal Express cargo plane and was similarly returned to the United States on a Federal Express cargo plane.

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions what hazard warnings there were on the outside of the package of radioactive iridium discovered at Stansted Airport. [83134]

Ms Glenda Jackson *[holding answer 4 May 1999]:* The package which was mistakenly delivered to Stansted Airport bore all the necessary hazard warnings in accordance with the requirements of the International Civil Aviation Organization's Technical Instructions for the Safe Transport of Dangerous Goods by Air (Class 7) and with the relevant UK regulations for air transport of dangerous goods (The Air Navigation (Dangerous Goods) Regulations 1994 SI No. 3187 and Amendments 1996 SI No. 3100 and 1998 SI No. 2536).

The warnings consisted of an indelible trefoil symbol, resistant to the effects of fire and water, plainly marked on the outside of the package, together with two diamond shaped Category III-YELLOW labels on opposite sides of the package. The labels also bear the trefoil symbol, the word "RADIOACTIVE", and give details of the contents, the radioactivity and the Transport Index.

Radioactive Material (Transport)

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions what estimate he has of the number of packages of radioactive material carried within the United Kingdom by common carriers for the last year for which figures are available. [83131]

Ms Glenda Jackson *[holding answer 4 May 1999]:* Data are not collected separately on whether radioactive material is carried by common carriers or by a company's own transport, as they are required to meet the provisions of the same regulations. It was estimated in 1997 that of the order of 10,000 flights carrying packages of radioactive material currently occur each year, the vast majority of which contain limited quantities for medical or industrial use in excepted or Type A packages.

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions what controls exist over the movement within the United Kingdom of radioactive packages by common carriers. [83133]

Ms Glenda Jackson *[holding answer 4 May 1999]:* The transport of radioactive material within the UK, by whatever type of carrier, is controlled by a number regulatory requirements. The main regulations are as follows:

Road

The Radioactive Material (Road Transport) (Great Britain) Regulations 1996 (SI 1996 No. 1350). The Radioactive Substances (Carriage by Road) Regulations (Northern Ireland) 1983 (SR 1983 No. 344). The Radioactive Substances (Carriage by Road) (Amendment) Regulations (Northern Ireland) 1986 (SR 1986 No 61).

Sea

The Merchant Shipping (Dangerous Goods and Marine Pollutants) Regulations 1997 (SI 1997 No. 2367); Merchant Shipping Notice No. M 1620, "The Carriage of Dangerous Goods and Marine Pollutants in Packaged Form on Ships".

Air

The Air Navigation (No. 2) Order 1995 SI No. 1970. The Air Navigation (Dangerous Goods) Regulations 1994 SI No. 3187 and Amendments 1996 SI No. 3100 and 1998 SI No. 2536.

Ports

The Dangerous Substances in Harbour Areas Regulations 1987 (SI 1987 No. 37).

Rail

The Packaging, Labelling and Carriage of Radioactive Material by Rail Regulations (RAMRail) 1996 (SI 1996 No. 2090): Approved Requirements for the packaging, labelling and carriage of radioactive material by rail 1996 Edition. The Carriage of Dangerous Goods (Classification, Packaging and Labelling) and Use of Transportable Pressure Receptacles Regulations (CDGCPL) 1996 (SI 1996 No. 2092). The Packaging, Labelling and Carriage of Radioactive Material by Rail Regulations (Northern Ireland) (RAMRailNI) 1998 (SR 1998 No. 132).

Park Homes Working Party

Mr. Chope: To ask the Secretary of State for the Environment, Transport and the Regions how many meetings have been held by his Department's Park Homes working party. [83285]

Mr. Raynsford *[holding answer 4 May 1999]:* The Working Party has met five times to date and is making useful progress.

Council Tax

Mr. Fallon: To ask the Secretary of State for the Environment, Transport and the Regions what assessment he has made of the advantages and disadvantages of the width of council tax bands G and H; and if he will take steps to reduce the width of these bands before any general revaluation. [83237]

Ms Armstrong: We cannot make any changes to the valuation bands unless we carry out a revaluation of all dwellings. Last year we fully considered whether the current council tax bands should be changed and whether a revaluation was required. We set out our conclusions in the White Paper, "Modern Local Government—In Touch with the People". We explained that the council tax was generally working well and that we do not plan to make any fundamental changes to the council tax, or carry out a revaluation, during the course of this Parliament.

Builders and Roofers

Mr. Sayeed: To ask the Secretary of State for the Environment, Transport and the Regions what steps he has taken to protect the public from dishonest and incompetent builders and roofers. [83146]

Mr. Raynsford: I refer the hon. Member to my oral answer of 13 April 1999, *Official Report*, columns 1–3, which I gave to my hon. Friend the Member for Wentworth (Mr. Healey).

Planning Applications (Freight)

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions on how many occasions since March 1994, he or his predecessors have intervened during consideration of *(a)* a development plan and *(b)* an individual planning application, because the proposals would conflict with the potential to carry freight by water or rail. [82884]

Mr. Raynsford: Since March 1994 the Secretary of State has issued 34 directions to local planning authorities for them to change policies or proposals in their development plans; none of these concerned conflict with the potential to carry freight by water/rail. Information is not held centrally on the reasons for call-in of planning applications by the Secretary of State in that period. Such information could be obtained only at disproportionate cost,

Fenchurch Street Station

Mr. Mackinlay: To ask the Secretary of State for the Environment, Transport and the Regions if he will make a statement on the circumstances which led to the suspension of services and the closure of Fenchurch Street Station on Wednesday, 20 April; and if he will make a statement on the measures taken to avoid future closures. [83305]

Ms Glenda Jackson: I understand from Railtrack that services to Fenchurch Street Station on 20 April were suspended as a result of power failure. The decision to close the station was taken by the train operator, LTS Rail Ltd. Railtrack say that they are committed to reducing the delays to train services caused by infrastructure failure.

Hedgerows

Mr. Pickthall: To ask the Secretary of State for the Environment, Transport and the Regions (1) what proposals he has for strengthening the Hedgerow Regulations; [83043]

(2) what measures he proposes for increasing the percentage of hedgerows protected in the North West Region. [83042]

Mr. Meale: Recommendations to the Government for strengthening the Hedgerows Regulations 1997, put forward by the group which reviewed them, were published in July 1998. The group recommended that research should be commissioned into the impact of their proposals, before final decisions were taken. We are studying the results of that research.

HOUSE OF COMMONS

Question Time

Mr. Baker: To ask the President of the Council what changes she plans to make to the allocation of oral question time for the *(a)* Secretary of State for Scotland and *(b)* Secretary of State for Wales; and if she will make a statement. [82828]

Mrs. Beckett: I have asked the Procedure Committee for its views on whether the amount of time allocated for such oral questions should be reduced once the new

legislatures are functioning. I understand that the Committee is due to report soon and I will take its views into account before reaching a decision.

INTERNATIONAL DEVELOPMENT

Cleveland Police

Dr. Kumar: To ask the Secretary of State for International Development (1) if she will publish the references provided for the former Deputy Chief Constable of the Cleveland Police in support of his application for the post of Deputy Commissioner of Royal Turks and Caicos Islands; [82685]

(2) if she will publish the names of individuals who provided the reference for the former Deputy Chief Constable of Cleveland Police for the post of Deputy Commissioner of Royal Turks and Caicos Islands. [82686]

Clare Short: It would not be proper for the Department for International Development to disclose the names of those who supply references for individuals applying for posts with the department.

AGRICULTURE, FISHERIES AND FOOD

Genetically Modified Crops

Mr. Gordon Prentice: To ask the Minister of Agriculture, Fisheries and Food what evidence he has obtained that contact with some genetically modified crops could lead to antibiotic resistance in humans; and if he will make a statement. [82628]

Mr. Rooker: There is no evidence that contact with genetically modified (GM) crops will lead to antibiotic resistance in humans. The Advisory Committee on Novel Foods and Processes rigorously assesses each application for a GM food before it is allowed onto the market. As part of this assessment, it looks very carefully at the use of antibiotic markers and recommends against approval in those circumstances where it considers that there is a finite risk that their use might give rise to an increase in resistance against clinically important antibiotics.

Draft Food Standards Agency Bill

Mr. Dafis: To ask the Minister of Agriculture, Fisheries and Food what environmental appraisal was made of the draft Food Standards Agency Bill; and what changes were made to the draft Bill as a result. [82854]

Mr. Rooker: We did not consider that the provisions of the draft Bill establishing this new body with a range of enabling powers would themselves have significant implications for the environment. We do however envisage that the individual actions and decisions taken by the Agency in the exercise of its powers will, where relevant, be subject to environmental appraisal.

School Milk

Mr. Pickthall: To ask the Minister of Agriculture, Fisheries and Food what steps his Department is taking to encourage the uptake of the EU subsidy for school milk. [82772]

Mr. Rooker *[holding answer 4 May 1999]:* Last year, my noble Friend Lord Donoughue asked the Intervention Board to promote the EU scheme in England and Wales, and similar exercises were carried out in Scotland and Northern Ireland. The Board is also working to identify ways of simplifying the arrangements.

BSE Inquiry

Mr. Dalyell: To ask the Minister of Agriculture, Fisheries and Food how many Salmon letters have been sent out by the BSE inquiry in preparation for Phase II of the inquiry; to whom they were sent; how many have been withdrawn; and what is the total cost of providing legal assistance to recipients of letters pertaining to Phase II of the BSE inquiry. [83262]

Mr. Rooker *[holding answer 4 May 1999]:* The distribution of Salmon letters is a confidential process which is entirely a matter for the Committee of Inquiry and individual recipients; I am therefore unable to provide the information requested.

Flood and Coastal Defence

Mr. Blizzard: To ask the Minister of Agriculture, Fisheries and Food what progress has been made in developing targets for flood and coastal defence operating authorities and in developing the Environment Agency's general flood defence supervisory duty. [83462]

Mr. Morley: I am pleased to announce the publication, today, of interim targets for flood and coastal defence operating authorities and elaboration of the Environment Agency's supervisory duty. I am placing a copy in the Library of the House.

The targets are designed to assist in developing a seamless and integrated service of flood forecasting, warning and response as well as a more certain delivery of Government policy towards flood and coastal defence. They follow recommendations, which the Government accepted, in last year's Agriculture Select Committee's report on flood and coastal defence and in the Independent Report on the Easter 1998 floods.

These interim targets will, among other things, set in hand arrangements for flood and coastal defence assets to be identified, recorded on a central database and their integrity assessed. There are also targets in relation to other important issues such as completion and implementation of Water Level Management Plans and Shoreline Management Plans, as well as wider environmental objectives.

These targets, and elaboration of the Environment Agency's supervisory duty, have been developed in full co-operation with the Agency, the Association of Drainage Authorities and the Local Government Association and in consultation with a wide range of relevant organisations. I have been impressed by the strong support we have had both for the overall approach we have adopted and for the particular measures we are introducing.

A more comprehensive set of targets, and further elaboration of the Environment Agency's supervisory duty, will be developed over the next year for adoption

from March 2000. We will continue to work in a consultative way and I shall continue to keep Parliament informed of developments.

PRIME MINISTER

Engagements

Sir Peter Tapsell: To ask the Prime Minister if he will list his official engagements for Wednesday 5 May. [82891]

The Prime Minister: This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House I will have further such meetings later today.

Departmental Staff (Ethnic Origin)

Mr. Vaz: To ask the Prime Minister if he will provide a breakdown, in numerical and percentage terms, of the ethnic origin at 1 March of *(a)* his private office, *(b)* Government special advisers, *(c)* the No. 10 Policy Unit and *(d)* No. 10 Downing Street staff in total. [78505]

The Prime Minister *[pursuant to his reply, 14 April 1999, c. 238–39]:* There is an error in the figures in the table setting out the ethnic origin of all Downing Street staff. The figures should have read:

Total	*Ethnic minority*	*Ethnic minority (per cent.)*
146	7	4.8

CULTURE, MEDIA AND SPORT

Rugby League World Cup

Mr. Hoyle: To ask the Secretary of State for Culture, Media and Sport what *(a)* financial and *(b)* other assistance his Department is providing to the Rugby League World Cup. [83077]

Mr. Banks *[holding answer 4 May 1999]:* Firstly, I congratulate the Rugby Football League (RFL) on their successful bid for this major international sporting event and look forward to a world-beating competition next year.

The RFL have been in close contact with UK Sport both before and after bidding for this event and are currently drawing up a business plan which will enable UK Sport to make a full assessment of their financial requirements. I offered my support as venue sponsor for staging the draw for this prestigious event, which took place on 26 April, and I would welcome the opportunity to become involved in profile raising events, in co-ordination with the RFL's strategy for promoting the World Cup.

Television Licence Fee

Mr. Winnick: To ask the Secretary of State for Culture, Media and Sport when the panel on the television licence fee is due to report. [83292]

Janet Anderson *[holding answer 4 May 1999]:* As my right hon. Friend the Secretary of State announced on 12 January 1999, *Official Report,* columns *131–32,* the BBC funding review panel will report to him by the end of July this year. There will then be a period of public consultation.

TREASURY

Departmental Expenditure

Mr. Maude: To ask the Chancellor of the Exchequer if he will list for each of the years 1997–98 to 2001–02 all cross-departmental budgets, the spending accounted for by each and a breakdown of how that spending is allocated between the departmental totals in Table A1 of the 1998 Comprehensive Spending Review. [68391]

Mr. Milburn: The table sets out the information requested. Cross-departmental budgets are defined for this purpose as those budgets expenditure from which is accounted for by more than one department.

In addition, there are several other programmes which are subject to joint financial management and planning arrangements between two or more departments, but which are accounted for on one department's vote. The Single Regeneration Budget falls into this category, as do the Sure Start programme and the single asylum budget established in the Comprehensive Spending Review. The CSR also established joint strategic planning arrangements for the criminal justice system and on drugs, and similar arrangements are being developed for DETR and MAFF's countryside and rural development programmes.

Year/budget	*Spending (£ million)*	*Allocation between totals in Table A1*
1997–98		
Welfare to Work	143	own line in table
1998–99		
Welfare to Work	717	own line in table
1999–2000		
Welfare to Work	1,492	own line in table
Invest to Save Budget	53	own line in table; allocations to departments set out in table 1.8 of Public Expenditure Statistical Analysis 1999–2000 (Cm 4201)
Capital Modernisation Fund	250	own line in table; allocations to date to departments set out in table 1.9 of Public Expenditure Statistical Analysis 1999–2000 (Cm 4201)

Year/budget	Spending (£ million)	Allocation between totals in Table A1
2000–01		
Welfare to Work	1,317	own line in table
Invest to Save Budget	79	own line in table; allocations to date to departments set out in table 1.8 of Public Expenditure Statistical Analysis 1999–2000 (Cm 4201)
Capital Modernisation Fund	1,000	own line in table; allocations to date to departments set out in table 1.9 of Public Expenditure Statistical Analysis 1999–2000 (Cm 4201)
2001–02		
Welfare to Work	1,278	own line in table
Invest to Save Budget	98	own line in table; allocation between departments not yet determined
Capital Modernisation Fund	1,250	own line in table; allocation between departments not yet determined

Task Forces

Mr. Maclean: To ask the Chancellor of the Exchequer what *(a)* reviews, *(b)* task forces and *(c)* advisory groups have been established by his Department since 1 May 1997; what costs they have incurred to date; and what reports they have published. [71510]

Ms Hewitt: The reviews, task forces and advisory groups established by the Chancellor's departments since 1 May 1997, and reports published to date are as follows:

Title	Reports
Comprehensive Spending Review	CSR White Paper 14 July 1998
Review of North Sea Fiscal Regime	The Chancellor announced on 7 September 1998 in a press release that the Government had been monitoring changes in oil prices and that at the current low level of oil prices it would not be right at this stage to proceed with reform of the regime
Review of Charity Taxation	Consultation document published 9 March 1999. Responses invited by 31 August 1999
Review of Alcohol and Tobacco Fraud	Report published 28 July 1998
Government Taskforce on Tax and Benefits	Announcement on 17 March 1998
Review of Landfill Tax	Financial Statement and Budget Report 18 March 1998
Review on the Revenue Effect of a reduced rate of VAT for energy efficient material and alternative options for targeted relief to help those on low incomes to save energy.	Report on the effect of a reduced rate of VAT for schemes helping the less well off insulate their homes published November 1998
Review of PFI (Public/Private Partnerships)	Sir Malcolm Bates report published 13 June 1997
Review of Research and Development	Consultation document published on Budget Day 1998, comments were also invited in respect of various Inland Revenue Technical notes published on 14 January and 10 March 1999
Review of the calculation of Vehicle Excise Duty for lorries	Not yet reported
Review of Public/Private Partnership options for the Royal Mint	Not yet reported
Review of Company Car Taxation	New emission's-based approach announced in March 1999 Budget
Review of graduated Vehicle Excise Duty for cars	Consultation document published with the Pre-Budget Report November 1998. £100 rate for cars up to 1,100 cc from 1 June 1999 and emissions-based approach from Autumn 2000 announced in March 1999 Budget
Consultation on a potential Aggregates Tax	Consultation document published on 15 June 1998
Review of Double Taxation of companies	A discussion paper was published 12 March 1999—ongoing
Enterprise Management Incentives	New scheme announced in 1999 Budget. Technical note published. Advisory Group will help draw up details to be published in the autumn legislation to follow in Finance Bill 2000
Review of General Anti-Avoidance Rule	On Budget day 9 March 1999, *Official Report*, columns *173–90*, the Chancellor unveiled a substantial package of measures designed to attack avoidance and safeguard future revenue. He said that a general anti-avoidance rule (GAAR) for corporate direct taxes remained an option for the future if more targeted legislation proved ineffective in dealing with the problem of avoidance, but that the Government would not proceed with a GAAR in this Budget or with a mini-GAAR for VAT on construction services. Consultation documents published on 5 October 1998 (direct taxes) and on 20 January 1999 (VAT)

Title	*Reports*
Second review of Private Finance Initiative	The Government have received a report and will respond in due course
Task Force on Industrial use of Energy	Report by Lord Marshall 'Economic instruments and the business use of energy' published with the Pre-Budget Report on 3 November 1998
Review of Banking services in the UK	Consultation document published 25 January 1999
Review of Employee Share Ownership	Consultation document was published on 18 December 1998. New scheme announced in 1999 Budget. Technical note published 10 March 1999. Advisory Group will help draw up details to be published in the autumn, with legislation to follow in Finance Bill 2000
Further review of the Capital Gains of companies	Ongoing
New Deal Taskforce	'Meeting the Needs of the Disadvantaged' November 1998; 'Business Participation in Welfare-to-Work: Lessons from the United States' January 1999
Efficiency review of the Office for National Statistics	Announced by the Economic Secretary on 16 February 1999
Review of average earnings figures	Report on Review of average earning figures was published on 1 March 1999
Review of central government civil procurement	Not yet reported
Smaller quoted companies working group	Report 'Smaller Quoted Companies: a report to the Paymaster General', published November 1998
Task force on Banks Assistance to Credit Unions	Not yet reported
Working group of financing high technology companies	Report: Financing of High Technology Business: a report to the Paymaster General. November 1998
Policy Action Team: Business	Not yet reported
Policy Action Team: Access to financial service	Not yet reported
Private Finance Taskforce	Ongoing
Standing Committee on preparations for EMU	Ongoing
Business Advisory Group on EMU	Report 'EMU: Report from the Business Advisory Group' published January 1998
Review of VAT registration limits	Measures announced in March 1999 Budget and publication of Summary Report on representations received
VAT group treatment	Measures announced in March 1999 Budget and publication of Summary Report on representations received
Inquiry into lower rate ring-fenced tonnage based tax and enhanced training incentives	Inquiry announced in 9 March 1999 Budget

The costs of collecting information on the costs incurred to date by each review, task force and advisory body are disproportionate.

Dr. Tony Wright: To ask the Chancellor of the Exchequer if he will publish a list of (1) task forces and (2) policy reviews established by his Department since May 1997 which *(a)* had external members recruited by way of public advertisement, and details of any person so appointed and *(b)* engaged in public consultation exercises, and the form that these took. [74458]

Ms Hewitt: The Taskforces and reviews established by the Chancellor's departments since May 1997 which had members recruited by public advertisement or undertook public consultation are listed.

1. The Comprehensive Spending review:
   a. No external members recruited by public advertisement.
   b. The terms of reference were made available. Extensive consultations were undertaken in the course of 24 main departmental and 6 cross departmental reviews. Individual departments also approached interested bodies.
2. Review of North Sea Fiscal regime
   a. No external members recruited by public advertisement.
   b. Industry views were invited and discussions took place between Summer 1997 and March 1998. The Chancellor announced on 7 September 1998 in a press release that the Government had been monitoring changes in oil prices and that at the current low level of oil prices it would not be right at this stage to proceed with reform of the regime.
3. Review of Charity Taxation
   a. No external members recruited by public advertisement
   b. A consultation document was published on 9 March 1999.
4. Review of Alcohol and Tobacco Fraud
   a. No external members recruited by public advertisement
   b. A Joint Working Party was formed, drawn from the main alcohol and tobacco trade associations and interested Departments Representations were invited from anyone who felt they could contribute to the review. Since the Review was published in July 1998 further consultation groups have been formed with the trade to explore the costs to industry of implementing measures recommended by the Review.
5. Review of the Revenue Effect of a reduced Rate of VAT for Energy Efficient Material and alternative options for targeted relief to help those on low incomes to save energy.
   a. No external members recruited by public advertisement.
   b. Discussions have been held with representatives bodies
6. Review of research and development
   a. No external members recruited by public advertisement.
   b. A consultation document was published on 17 March 1998, comments were also invited in respect of various Inland Revenue technical notes published 14 January and 10 March 1999.

7. Review of the calculation of vehicle excise duty for lorries
   a. No external members recruited by public advertisement.
   b. No public consultation. A number of consultation groups, and an advisory panel including industry representatives and environmentalists.
8. Review of Public/Private Partnership Options for the Royal Mint
   a. No external members recruited by public advertisement.
   b. The Economic Secretary invited all major stakeholders to contribute to the review.
9. Review of Graduated Vehicle Excise Duty for cars
   a. No external members recruited by public advertisement.
   b. A consultation document was issued.
10. Consultation on a potential Aggregates Tax
   a. No external members recruited by public advertisement.
   b. A consultation document was published on 15 June 1998.
11. Review of Double Taxation of companies
   a. No external members recruited by public advertisement.
   b. A discussion paper was published on 12 March 1999
12. Review of General Anti Avoidance Rule
   a. No external members recruited by public advertisement.
   b. A consultation document was published on 5 October 1998
13. Review of VAT Registration Limits
   a. No external members recruited by public advertisement.
   b. A consultation document was published and meeting held with business.
14. VAT Group Treatment
   a. No external members recruited by public advertisement.
   b. A consultation document was published and meetings held with business.
15. Review of Employee Share Ownership
   a. No external members recruited by public advertisement.
   b. A consultation document was issued on 18 December 1998. Technical notes issued on 10 March 1999.
16. Taskforce on the Industrial Use of Energy
   a. No external members recruited by public advertisement.
   b. A consultation document was published in June 1998.
   c. A report was published in November 1998.
17. Review of Banking Services in the UK
   a. No external members recruited by public advertisement
   b. A consultation document was published on 25 January 1999
18. Efficiency Review of the Office for National Statistics
   a. A firm of consultants, KPMG, was appointed after a public competition.
   b. No external public consultation has been undertaken.
19. Private Finance Taskforce
   a. No external members recruited by public advertisement.
   b. Draft standardisation documents were published for comment in October 1998. A consultation document on accounting PFI transactions was published in January 1999.
20. Task force on Banks' Assistance to Credit Unions
   a. No external members recruited by public advertisement.
   b. Regional discussion fora to listen to people's views have been held in Birmingham, Liverpool, Edinburgh and Newcastle.
21. Policy Action team: Business
   a. No external members recruited by public advertisement.
   b. Regional discussion fora to listen to people's views have been held in Birmingham, Liverpool, Edinburgh and Newcastle.
22. Policy Action Team: Access to Financial Services
   a. No external members recruited by public advertisement.
   b. Regional discussion fora to listen to people's views have been held in Birmingham, Liverpool, Edinburgh and Newcastle. A range of organisations have also been invited to make their view known.
23. Enterprise Management Incentives scheme
   a. No external members.
   b. Technical note issued 10 March 1999.
24. Review of Company Car Taxation
   a. No external members.
   b. Press notices on 9 March 1999 invited views on the reform
25. Further review of capital gains of companies
   a. No external members
   b. Informal meetings with representative bodies. A Working Group has been set up.
26. Review of Landfill Tax
   a. No external members
   b. A business brief was issued inviting comments.

Most Taskforces and reviews are short term exercises established to give thorough consideration to important and difficult issues. External members are invited to sit on some reviews and Taskforces to contribute specific experience and expertise. In such cases, public advertising would not be appropriate and would incur disproportionate cost.

Since 1 October 1998, appointments to those Taskforces and reviews which qualify for classification as advisory non-departmental public bodies have come within the remit of the Commissioner for public appointments.

Dr. Tony Wright: To ask the Chancellor of the Exchequer (1) if he will list all those task forces and policy reviews with external members established by his Department since May 1997 which have set up *(a)* sub-groups, *(b)* working parties and *(c)* other subsidiary committees; [79251]

(2) if he will list for all task forces and policy reviews with external members established by his Department since May 1997 *(a)* their dates of establishment, *(b)* those which have issued final reports and their dates of publication, *(c)* those which have been terminated and their dates of termination and *(d)* for those bodies still in existence, expected reporting and termination dates. [79274]

Ms Hewitt: The information on task forces and policy reviews with external members established by the Chancellor's departments is listed.

	Date established	*Actual report date*	*Expected report date*	*Termination date*
Comprehensive Spending Review	7 May 1997	14 July 1998		14 July 1998
Review of Alcohol and Tobacco Duties	2 July 1997	28 July 1998		28 July 1998
Taskforce on tax and benefits	19 May 1997	17 March 1998		17 March 1998

	Date established	Actual report date	Expected report date	Termination date
Review on the Revenue Effect of a reduced rate of VAT for energy efficient material and alternative options for targeted relief to help those on low incomes to save energy	2 July 1997	November 1998		November 1998
Review of Private Finance Initiative	8 May 1997	13 June 1997		13 June 1997
Review of management recruitment incentives for high tech small and medium sized enterprises	19 March 1998	9 March 1999		9 March 1999
Second review of Private Finance Initiative	12 November 1998	22 March 1999	The Government have received a report and will respond in due course	
Task force on industrial use of energy	19 March 1998	3 November 1998		3 November 1998
Review of Banking services in the UK	3 November 1998		December 1999	From end 1999
New Deal Taskforce	14 July 1997	No report-by date. The Taskforce may choose from time to time to publish reports into specific issues		The Taskforce was appointed for two years initially, with a review in May 1999
Private Finance Taskforce	2 July 1997			Late Summer 1999
Efficiency review of the Office for National Statistics	13 July 1998	16 February 1999		16 February 1999
Review of average earnings figures	23 October 1998	1 March 1999		1 March 1999
Review of central government civil procurement	December 1998	April 1999		April 1999
Smaller quoted companies working group	August 1998	November 1998		November 1998
Task force on Banks Assistance to Credit Unions	28 July 1998		June 1999	June 1999
Working group on financing high technology companies	November 1997	November 1998		November 1998
Policy Action Team 3: Business	November 1998		31 July 1999	31 July 1999[1]
Policy Action Team: Access to financial service	October 1998		31 July 1999	31 July 1999
Inquiry into lower rate ring-fenced tonnage based tax and enhanced training incentives	9 March 1999		to be announced	

[1] Expected date

Additionally, those which have set up *(a)*, subgroups, *(b)* working parties and *(c)* other subsidiary committees are as follows:

Comprehensive Spending Review: *a, b, c*

Review of Alcohol and Tobacco Duties: *a, b*

Task force on tax and benefits: *a, b, c*

New Deal Task force: *a, b*

Policy Action Team: Access to financial services: *a.*

Inland Revenue Documents

Mr. Gibb: To ask the Chancellor of the Exchequer if he will place in the Library a copy of the latest draft of *(a)* the Inland Revenue self assessment computations form and *(b)* the Inland Revenue income tax calculations flowchart for 1999–2000. [81704]

Dawn Primarolo: The Inland Revenue is currently working on the 1999–2000 drafts for the self assessment tax calculation and tax calculation guide to include all necessary changes including those coming from the Budget. These documents are, at this stage, in the process of change from the 1998–99 versions. Further work will be carried out during the course of this year including consultation with the representative bodies and usability testing with taxpayers. Final drafts should be available towards the end of 1999 once this process has been completed.

Additional Personal Allowance

Mr. Rendel: To ask the Chancellor of the Exchequer if he will make a statement on the abolition of the additional personal tax allowance in relation to carers; and if he will introduce a new allowance or credit to assist working carers with the costs of caring. [80937]

Dawn Primarolo *[holding answer 16 April 1999]:* The additional personal allowance is to be abolished as part of the package of reforms leading to the introduction of the children's tax credit. It is primarily claimed by people who are not married and living with their spouse and have one or more qualifying children resident with them, but in a minority of cases it is claimed by married people who have a totally incapacitated spouse and a qualifying child resident with them. Most people in this situation will benefit from the introduction of the children's tax credit, which will be worth more than twice as much as the additional personal allowance.

Health Insurance

Mr. Efford: To ask the Chancellor of the Exchequer, pursuant to the letter of 16 July 1997 from the Minister for Trade and Competitiveness in Europe to the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) regarding permanent health insurance schemes for employees, what steps he has taken to monitor the sound and prudent management of such schemes; and if he has found it necessary to take action under the Insurance Companies Act 1982. [82169]

Ms Hewitt: None. In the first instance, the management of such schemes is a matter for the insurers themselves. However, most insurers have undertaken to abide by the Association of British Insurers Codes of Practice.

The statutory regulation of insurance companies aims principally at ensuring that only properly authorised insurers carry on business in the United Kingdom; that there is sound and prudent management; and that there are systems of managerial and financial control sufficient to ensure that an authorised company is able to meet its liabilities to policyholders and potential policyholders. In the performance of the administrative and supervisory tasks contracted out to them by the Treasury, the Financial Services Authority will take account of the criteria of sound and prudent management set out in Schedule 2A of the 1982 Act when reaching a view on the management of an authorised insurance company.

Income Tax (Married Couples)

Mr. Gibb: To ask the Chancellor of the Exchequer what is his estimate of the number of married couples in which the eldest spouse turns 65 years after 5 April 2000 in the period *(a)* 2000–01 and *(b)* 2001–02; and how many will pay income tax as a consequence of the loss of the married couples allowance. [80877]

Dawn Primarolo: The number of married couples in which the eldest spouse turns 65 after 5 April in both 2000–01 and 2001–02 is not known. It is therefore not possible to estimate the number who will pay income tax as a consequence of the loss of the Married Couples Allowance.

National Insurance

Mr. Chaytor: To ask the Chancellor of the Exchequer (1) if he will estimate the revenue effect of reducing national insurance contributions by 0.5 per cent. for those employed in central Government and associated public bodies; [82749]

(2) if he will estimate the revenue effect of reducing the national insurance charge by 0.5 per cent. for all those employed in or by local government. [82751]

Dawn Primarolo: A reliable estimate could be provided only at disproportionate cost.

Mr. Field: To ask the Chancellor of the Exchequer how many people in work are paying contributions of less than 25 times the lower earnings limit every year. [82697]

Dawn Primarolo *[holding answer 4 May 1999]:* Based on the DSS Lifetime Labour Market Database, there were 2.2 million people with Class 1 and/or Class 2 contributions paid on earnings less than 25 times the Lower Earnings Limit (£58) in the 1995–96 tax year. The figures are based on those who have actually paid contributions at the full rate. They exclude women paying Reduced Rate Class 1 contributions and do not take any credited contributions into account. However, they do include students and others working for only part of the year.

Fair Trade Products

Ms Ward: To ask the Chancellor of the Exchequer what plans he has to introduce fair trade products at *(a)* meetings, *(b)* events and *(c)* catering facilities within his Department. [82867]

Ms Hewitt: In purchasing goods and services for these and other purposes, all Departments will take full account of the Government's policy of seeking value for money having due regard to propriety and regularity.

Financial Services Authority

Mr. Hawkins: To ask the Chancellor of the Exchequer what plans he has to ensure that the Financial Services Authority applies regulatory requirements equally across different distribution channels within particular market sectors. [83102]

Ms Hewitt *[holding answer 4 May 1999]:* The Government intend that the Financial Services Authority (FSA) should have statutory objectives setting out what the Government expect it to deliver. It is for FSA to determine how to achieve those objectives, bearing in mind the circumstances of the different market sectors it covers.

Alcohol and Tobacco Fraud

Mr. Edward Davey: To ask the Chancellor of the Exchequer how much the Government have spent implementing the recommendations of the Alcohol and Tobacco Fraud Review since its publication in January 1998; and what stage the consultation exercise which Her Majesty's Customs and Excise is currently undertaking with the trade has reached. [83147]

Dawn Primarolo *[holding answer 4 May 1999]:* The Alcohol and Tobacco Fraud Review (ATFR) was published in July 1998 as part of the Comprehensive Spending Review. The Government have allocated £35 million to Customs and Excise over three financial years from 1999–2000 to implement the ATFR recommendations, of which £15 million is for 1999–2000. In addition, the Government approved a claim on the Reserve for Customs during 1998–99 for £9 million which has enabled Customs to make an early start on implementing the ATFR.

The consultation exercise with the trade which seeks to establish the cost to industry of implementing those recommendations which involve procedural changes to tighten up on fraud is at an advanced stage. Subject to the outcome of that consultation, a final decision will be taken on how and when such measures are to be implemented during 1999.

HIPC Initiative

Mr. McNamara: To ask the Chancellor of the Exchequer what estimate he has made of the change in the annual debt repayments of each country taking part in the HIPC Initiative as a result of that initiative. [82504]

Ms Hewitt: The information can be found in the IMF Paper, *HIPC Initiative—Perspectives on the current framework and options for change—supplementation on costing* (13 April 1999).

Mr. McNamara: To ask the Chancellor of the Exchequer what proposals he has to alter the criteria for countries seeking to benefit under the HIPC Initiative. [82506]

Ms Hewitt: The Chancellor and the International Development Secretary announced their proposals for delivering faster, deeper and wider debt relief on 4 March.

Mr. McNamara: To ask the Chancellor of the Exchequer which countries have qualified to benefit under the HIPC Initiative to date. [82505]

Ms Hewitt: There are 41 countries classified as HIPCs. Details on which countries have qualified can be found in the IMF Paper: *Debt Initiative for the Heavily Indebted Poor Countries (HIPCs).*

Amusement Machines

Mr. Maude: To ask the Chancellor of the Exchequer (1) if he will estimate the revenue from amusement machine licence duty on 10p stake amusements-with-prizes trivia machines in the years *(a)* 1999–2000, *(b)* 2000–01 and *(c)* 2001–02; [82312]

(2) what forecast he has made of the revenue from amusement machine licence duty in *(a)* 1999–2000, *(b)* 2000–01, *(c)* 2001–02. [82314]

Mrs. Roche: There are no forecasts at the level of disaggregation specified in the question. The March 1999 FSBR forecast total betting and gaming receipts of £1.5 billion in 1999–2000.

Mr. Maude: To ask the Chancellor of the Exchequer if he will make a statement on the Government's policy regarding the taxation of 10p stake amusements-with-prizes trivia machines. [82311]

Mrs. Roche: All 10p stake amusement with prizes trivia machines bear amusement machine licence duty of £645 per annum and where applicable, the takings from such machines are liable to value added tax at the rate of 17.5 per cent.

Mr. Maude: To ask the Chancellor of the Exchequer how many representations he received in 1998–99 regarding amusement machine licence duty. [82313]

Mrs. Roche: Between 1 April 1998 and 31 March 1999 Treasury Ministers received 388 representations regarding amusement machine licence duty.

Euro

Ms Lawrence: To ask the Chancellor of the Exchequer what plans the Bank of England has to carry out further euro note printing trials. [83464]

Ms Hewitt: Having completed the pre-production trialing of the Euro notes due to be introduced in 2002, the European Central Bank has asked the Bank of England to assist with the next stage of technical preparations. This is to produce sample banknotes for each denomination to be used for reference purposes by those countries participating in production later this year. The bank will be involved in printing a further 1.5 million Euro 500 notes, which is equivalent to less than one day's normal production of Sterling notes. The cost of some £60,000 will be paid out of the proceeds of the note issue.

TRADE AND INDUSTRY

Departmental Legal Business

Mr. Dismore: To ask the Secretary of State for Trade and Industry if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81758]

Mr. Byers: The DTI's policy is similar to that of other departments. The Crown Prosecution Service, the Treasury Solicitor's Department, the Serious Fraud Office and the Legal Secretariat to the Law Officers predominantly use junior counsel when it is necessary to instruct counsel to provide legal advice or to conduct legal proceedings.

In civil cases, the two First Treasury Counsel are both junior counsel and they will advise and represent the Government without a Queen's Counsel in many of their important cases. In addition, the Attorney-General maintains four panels of junior Counsel whom Departments are expected to use for the majority of the Government's civil litigation. The approval of the Attorney-General or the Solicitor-General is required before a Queen's Counsel can be instructed to appear for any Government Department in civil litigation.

A panel of Standing Counsel who are all junior counsel, exists in London and the South Eastern circuit to provide advice and to handle most work at the Central Criminal Court and Crown Court in that area. More generally, the

Department maintains circuit based lists of junior counsel to conduct almost all its criminal casework in the Crown Court in England and Wales. Within and outside London, Queen's Counsel are instructed occasionally in very serious or complex casework prosecuted by the Crown.

In determining the level of counsel to use, the Department will consider the individual circumstances of each case. It will take into account, inter alia, the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required before deciding whether to instruct Queen's Counsel or junior counsel.

The number of occasions on which the Department has instructed Queen's Counsel in the last three years, and the cost of doing so, is not collected centrally and could not be obtained without incurring disproportionate cost.

Holiday Makers (Carbon Monoxide Poisoning)

Mr. Kemp: To ask the Secretary of State for Trade and Industry what steps he takes to ensure that holiday companies ensure that holiday makers are safe from carbon monoxide poisoning in accommodation rented through them abroad. [82652]

Dr. Howells: While the Government are, of course, concerned about the safety of British holidaymakers when travelling overseas, the safety standards applying to rented accommodation are subject to national regulation over which Her Majesty's Government have no jurisdiction.

Nevertheless, holiday companies, and others, in the United Kingdom offering or selling package holidays are covered by "The Package Travel, Package Holidays and Package Tours Regulations 1992". The Regulations provide that those who offer package holidays are liable to consumers for the proper performance of contracts, including, amongst other things, supplying accommodation which is safe.

Disqualified Accountants

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will list the accountants who have been disqualified from public practice as a result of the criticisms of their conduct in his Department's inspectors' reports in the past 10 years. [82674]

Dr. Howells: Disciplinary action is a matter for the accountancy body responsible. The following table details accountants who have been mentioned in inspectors' reports and who have been either excluded or suspended from membership of their accountancy body in the past ten years.

Companies Act Inspection	*Name of individual*	*Disciplinary action*
Edencorp plc	Mr. G. J. Cook	Exclusion
Barlow Clowes Gilt Managers Limited	Mr. J. A. B. Pilkington	Exclusion
	Mr. D. C. Mitchell	Exclusion
James Ferguson Holdings plc	Mr. C. F. Newman	Exclusion
	Mr. I. M. Crabtree	Suspension for 1 year
Atlantic Computers plc Atlantic Computer Systems plc	Mr. P. L. Goldie	Exclusion

Accounting Firms (Money Laundering)

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will make a statement on the powers available to him for investigating the affairs of accountancy firms judged by the High Court to have knowingly laundered money. [82648]

Dr. Howells: The Department has no powers as envisaged by my hon. Friend; money laundering is primarily a matter for the police and the conduct of accountancy firms for their professional body.

Arms Exports (Yugoslavia)

Ann Clwyd: To ask the Secretary of State for Trade and Industry if he will place in the Library the documents relating to arms exports to Yugoslavia or the former Yugoslavia involving the defence contractors BMARC and Astra. [82703]

Dr. Howells: The statutory and accounting records of Astra Holdings plc and Springfield Road Limited, formerly known as British Manufacture and Research Co. Ltd (BMARC), are under the control of the official receiver following their winding up by the court.

Access to the records is governed by insolvency legislation and the direction of the court and, as such, at this time there is no proposal to remove the records from the official receiver who will continue to consider requests to inspect them.

Competition

Mrs. Curtis-Thomas: To ask the Secretary of State for Trade and Industry what action he is taking to improve the enforcement of fair competition in the United Kingdom economy. [82690]

Dr. Howells: The Competition Act 1998 will introduce tough new powers to deal with anti-competitive agreements and abuses of market dominance when its main provisions are brought into force on 1 March 2000. These include strong powers of investigation, a power to take interim measures where necessary pending the completion of an investigation, powers to direct undertakings to bring infringements to an end and powers to impose penalties for breach of the prohibitions. The Director General of Fair Trading has the main responsibility for enforcement of the new Act and extra resources have been provided to the Office of Fair Trading for that purpose.

Fair Trade Products

Ms Ward: To ask the Secretary of State for Trade and Industry what arrangements his Department is proposing to introduce for the provision of fair trade products *(a)* at meetings, *(b)* in its catering facilities and *(c)* at events sponsored by it. [82744]

Mr. Byers: I refer my hon. Friend to the reply given by my hon. Friend the Economic Secretary today, *Official Report*, column *410*.

Milk Marque

Mr. Swayne: To ask the Secretary of State for Trade and Industry, pursuant to his answer of 28 April 1999, *Official Report*, column *203*, if he will indicate the

timetable for addressing each consideration delaying the publication of the Monopolies and Mergers Commission report on Milk Marque. [83038]

Dr. Howells *[holding answer 4 May 1999]:* Publication of the report is not delayed. The guidance referred to in my previous answer explains that there is no statutory deadline for publication of MMC monopoly reports, and sets out the factors which may affect timing.

It is the Department's view that quoting expected publication dates may provoke unwarranted speculation. The content of reports is invariably commercially sensitive and we do not wish to damage companies by encouraging speculation.

Mr. Luff: To ask the Secretary of State for Trade and Industry, pursuant to his answer of 13 April 1999, *Official Report*, column 95, on the milk market investigation, what practical obstacles are preventing the publication of the MMC report on the supply of milk. [82858]

Dr. Howells *[holding answer 30 April 1999]:* The Department of Trade and Industry has provided information about the publication arrangements for monopoly reports at paragraphs 8.1–8.3 of its publication "Guidance on DTI procedures for handling Monopoly references and reports", a copy of which is in the Library of the House.

Companies

Mr. Mitchell: To ask the Secretary of State for Trade and Industry how many companies satisfy the Companies Act 1985 definitions of *(a)* small, *(b)* medium and *(c)* large companies. [82932]

Dr. Howells: The Registrar of Companies does not hold information on company turnover, number of employees and balance sheet totals and, without this, it is not possible to determine precisely the numbers of companies which fall into each class.

During 1997–98 annual accounts registered at Companies House for each class of company were:

abbreviated (small) 38.2 per cent.

abbreviated (medium) 0.6 per cent.

full accounts 42.5 per cent.

others (dormant etc.) 18.7 per cent.

Using these percentages based on the 1.2 million companies currently on the register, it could therefore be argued that there are approximately 458,000 small companies, 7,000 medium companies and 510,000 large companies within the Companies Act 1985 definition.

Robert Maxwell

Mr. Mitchell: To ask the Secretary of State for Trade and Industry when inspectors were appointed to investigate the affairs of the business dealings of the late Robert Maxwell; what has been the cost of the investigation to date; when he expects the report to be published; and if he will make a statement on the timescale for the report's publication. [82905]

Dr. Howells: There is no inspection into "the business dealings" of the late Robert Maxwell although inspectors were appointed on 8 June 1992 under Companies Act powers to investigate and report on the affairs and membership of Mirror Group Newspapers plc. They were asked to look, in particular, at the offers for sale of the company's shares in early 1991. The cost of the inspection to date has been £7,467,805. The inspectors have not yet reported to my right hon. Friend the Secretary of State. A decision on publication will be taken when the report has been received and fully considered.

"Building Confidence in Electronic Commerce"

Mr. Cotter: To ask the Secretary of State for Trade and Industry how many responses he has received to the consultation document, "Building Confidence in Electronic Commerce". [83019]

Mr. Wills: I am pleased to say that we have received 246 responses to "Building Confidence in Electronic Commerce—A Consultation Document". A list of respondents—excluding those who have asked for their response to be kept confidential—has been placed in the Library of the House. The responses are currently being carefully studied and a summary will be published in due course. The Electronic Commerce Bill will be introduced into Parliament later in this session.

Company Investigations

Mr. Mitchell: To ask the Secretary of State for Trade and Industry if he will list *(a)* the investigations currently being carried out by his Department under the Companies Acts, Financial Services Act 1986 and the Insurance Companies Acts, *(b)* the cost of each investigation, *(c)* the manner in which the costs are being apportioned and *(d)* the likely date of publication. [82929]

Dr. Howells: My Department undertakes a number of confidential investigations under the Companies Act 1989, Insurance Companies Act 1982 and Financial Services Act 1986 for which there is no provision for the reports to be published. A list of current inspections which have been announced and their cost is set out in the table. The inspectors have yet to submit their reports and no decisions on publication can be taken until completion.

£

Inspection	*Legal inspector's fees (including VAT)*	*Accountant inspector's fees (including VAT)*	*Total cost (including VAT)*
Mirror Group Newspapers plc	1,677,377	7,097,247	8,774,624
Queens Moat Houses plc	1,482,686	3,984,421	5,467,107
Wace UK Holdings Ltd.	—	—	Inspection being carried out by Departmental staff
Tinsley Robor plc	—	—	Inspection being carried out by Departmental staff
European Colour plc	—	—	Inspection being carried out by Departmental staff

ACAS

Fiona Mactaggart: To ask the Secretary of State for Trade and Industry when he expects to receive the Annual report for the Advisory, Conciliation and Arbitration Service. [83393]

Mr. Byers: The ACAS Report for 1998 is being laid before both Houses of Parliament today. Copies are available from the Vote Office.

British Nuclear Fuels

Mr. Chaytor: To ask the Secretary of State for Trade and Industry if British Nuclear Fuels Ltd is required to seek the (i) advice and (ii) permission of his Department before making investments in companies. [82507]

Mr. Battle: BNFL is a Public Limited Company wholly owned by the Government and subject to the Companies Acts. BNFL is run on a commercial basis, with responsibility for day to day management and operations resting with the Board of the company. BNFL's plans for major investments are discussed with my Department as they arise. These together with BNFL's overall investment strategy are formally reviewed each year in the context of the company's Corporate Plan when it is submitted to Ministers for approval.

Mr. Chaytor: To ask the Secretary of State for Trade and Industry (1) if British Nuclear Fuels Ltd sought the advice of his Department before investing in Pangea Resources Ltd; [82511]

(2) if Ministers gave agreement for British Nuclear Fuels Ltd to invest in Pangea Resources Ltd. [82512]

Mr. Battle: No. I also refer my hon. Friend to the answer I gave the hon. Member for Blaenau Gwent (Mr. Smith) on 23 March 1999, *Official Report*, column *140*.

Mr. Chaytor: To ask the Secretary of State for Trade and Industry what discussions his Department had with the Foreign and Commonwealth Office concerning British Nuclear Fuels Ltd's plan to invest in Pangea Resources Ltd prior to such investment being made. [82513]

Mr. Battle: My Department had no such discussions with the Foreign and Commonwealth Office on this matter.

Mr. Chaytor: To ask the Secretary of State for Trade and Industry when he was first informed of British Nuclear Fuels Ltd's investment in Pangea Resources Ltd; and if he will make a statement. [82510]

Mr. Battle: I was informed of BNFL's involvement in the Pangea project by my officials in September 1997.

Mr. Chaytor: To ask the Secretary of State for Trade and Industry if he will list the companies in which British Nuclear Fuels Limited has invested. [82509]

Mr. Battle: Details of BNFL's fixed asset and current asset investments, including its subsidiary and associated undertakings, are given in the notes to BNFL's 1998 Annual Report and Accounts, a copy of which is in the Library of the House.

Plutonium

Mr. Hancock: To ask the Secretary of State for Trade and Industry what assessment his Department has made of the valuations assigned by the Japanese utilities to separated plutonium and mixed oxide fuel. [82468]

Mr. Battle: None. This is a matter for the commercial judgment of the Japanese utilities concerned as owners of the plutonium.

Lung Diseases (Miners)

Mr. Gareth R. Thomas: To ask the Secretary of State for Trade and Industry if he will make a statement on the impact of the miners' compensation package for lung-related diseases in Wales. [82113]

Mr. Battle: Agreement on the handling arrangements for claims from former British Coal miners suffering from lung related diseases, in both Wales and England was announced in the High Court in Cardiff on 26 March. A contract for the delivery of a national spirometry programme has now been awarded, which will enable miners to receive fair compensation. We aim to have thirty centres, the first of which opened in Newport during April, operating throughout the coalfield communities by the Summer. Results from these testing centres will enable offers of interim payments and some full and final payments to be made later this month whilst we tender for the medical services needed to deliver the medical assessment process. I am hopeful that significant numbers of full and final settlement offers for valid claims will start flowing early in the second half of this year.

In the meantime, the Government have made payments totalling £28 million to former coal miners and widows, £6.83 million being made to claimants living in Wales.

FOREIGN AND COMMONWEALTH AFFAIRS

Intelligence (External Agencies)

Mrs. Gillan: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans he has to change the methods used to assess intelligence from external agencies. [71833]

Mr. Robin Cook: I would refer the hon. Member to the Government's response, which I presented to the House on 13 April (Cmnd 4325), to paragraph 21 of the second report from the Foreign Affairs Committee on Sierra Leone.

Kosovo

Mr. Bercow: To ask the Secretary of State for Foreign and Commonwealth Affairs, pursuant to his oral answer of 20 April 1999, Official Report, column 681, on Kosovo, if he will define the term "organised resistance"; and if he will make a statement. [82480]

Mr. Tony Lloyd: I refer the hon Member to the statement by my right hon. Friend the Prime Minister on 26 April 1999, Official Report, columns 21–36.

Sri Lanka

Mr. Edward Davey: To ask the Secretary of State for Foreign and Commonwealth Affairs what reports he has

received from his officials in Sri Lanka about mass graves at Chemanni and at the Jaffna football stadium; and if he will make a statement. [83125]

Mr. Fatchett: We are deeply concerned about reports that several hundred bodies of people who "disappeared" in army custody in 1996–97 may be in a mass grave at Chemmani in Jaffna. I raised this subject with the Sri Lankan authorities while I was in Colombo in November last year. Our High Commissioner in Colombo has pressed on numerous occasions for a prompt and thorough investigation. The magisterial inquiry into the mass graves will reconvene in mid-June.

We are aware of reports that a further mass grave was uncovered at the Duraiyappah football stadium in Jaffna in March. A preliminary investigation of the site took place on 7 April. We understand that further excavations will take place on 14 May. We will continue to monitor events closely.

Mr. Edward Davey: To ask the Secretary of State for Foreign and Commonwealth Affairs what part the United Kingdom is to play in the international monitoring of the forthcoming elections in Sri Lanka; and if he will make a statement. [83124]

Mr. Fatchett: The Southern Provincial Council elections are scheduled to take place on 10 June. These will not be subject to international monitoring. However, the UK is following the election process closely and will stay in touch with local election monitors.

Mr. Edward Davey: To ask the Secretary of State for Foreign and Commonwealth Affairs what requests he has made to the Sri Lankan Government for information on the mass graves found in the Duraiyappah stadium in Jaffna; and if he will make a statement. [83127]

Mr. Fatchett: A preliminary investigation of the site took place on 7 April. We understand that further excavations will take place on 14 May. We will continue to monitor events closely.

Mr. Edward Davey: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will review the British Government's policy on the granting of export licences for arms sales to Sri Lanka. [83150]

Mr. Fatchett: Each licence application is considered scrupulously on a case by case basis against our national criteria and the EU Code of Conduct. We pay particular attention to the Sri Lankan Government's human rights record and its legitimate defence and domestic security interests. HMG do not issue licences if there is a clearly identifiable risk that the equipment might be used for internal repression or international aggression.

Human Rights

Mr. Edward Davey: To ask the Secretary of State for Foreign and Commonwealth Affairs what criteria he uses to assess the human rights records of foreign Governments; and whether they include the number of disappeared people. [83126]

Mr. Tony Lloyd: We assess the human rights records of all countries according to their adherence to, and implementation of, the standards laid down in international human rights instruments. As stated in the 1992 Declaration of the UN General Assembly on the Protection of All Persons from Enforced Disappearance, any act of enforced disappearance is a grave and flagrant violation of the human rights and fundamental freedoms proclaimed in the Universal Declaration of Human Rights and reaffirmed and developed in other international instruments. We support the work of the UN Working Group of Enforced or Involuntary Disappearances which raises individual cases with Governments and reports annually to the UN Commission on Human Rights.

Colombia

Mr. Hancock: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he has had with the Government of Colombia concerning the abduction of human rights workers Julio Ernesto Gonzalez and Everado de Jesus Puertas in January. [82889]

Mr. Tony Lloyd: Julio Ernesto Gonzalez and Everado de Jesus Puerta were murdered on 30 January by suspected paramilitaries. Although our Embassy in Bogota raises specific cases with the Colombian Government, this case was not raised with them.

The Colombian authorities are, however, aware of our concern about the safety of all human rights activists in Colombia. We raise the subject of human rights on a regular basis with the Colombian Government, most recently when Vice-President Gustavo Bell called on me at the Foreign Office on 27 April.

Birth Certificates

Mr. Hancock: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list those purposes for which his Department and its executive agencies require a birth certificate to be furnished by *(a)* employees, *(b)* contractors, *(c)* those applying for employment or contracts and *(d)* others. [82898]

Mr. Fatchett: The Department requires those applying for employment to provide confirmation of their identity as part of the recruitment process. Most provide a passport. Contractors are required to provide confirmation of identity in order to obtain security clearance.

JMT Charlesworth

Mr. Reed: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the involvement of JMT Charlesworth Ltd. in the attempted transfer of military equipment from Belgium to Eritrea; and what discussions he has had with his *(a)* Belgian, *(b)* Dutch and *(c)* German counterparts in this matter. [83008]

Mr. Tony Lloyd: I refer my hon. Friend to the reply I gave to the hon. Member for Richmond Park (Dr. Tonge) on 16 January 1999, *Official Report*, column 752.

We have had no subsequent Government to Government discussions with European partners over this matter but we continue to monitor this case.

Correspondence

Mr. Vaz: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the delay in answering the hon. Member for Leicester, East's

letter dated 8 March, concerning Mr. Solanki, of 49 Yorkshire Road, whose wife has been refused admission under reference R/98/3895. [82935]

Mr. Fatchett: I regret the delay in answering my hon. Friend's letter. This was caused by staff shortages in the Migration and Visa Division Correspondence Unit during the month of March.

Edgar Fernandes

Mr. Vaz: To ask the Secretary of State for Foreign and Commonwealth Affairs if the Minister of State, the right hon. Member for Gateshead, East and Washington, West (Ms Quin) will take up the case of Edgar Fernandes on her forthcoming visit to Malta. [82936]

Mr. Fatchett: My right hon. Friend is currently in Malta. She has been briefed on this case and will raise it. Our High Commissioner and Vice-Consul in Valletta continue to take every opportunity to remind the Maltese Government of our interest in the extradition of Mr. Mohammed Abdul Monem Abbas Aly.

British Council (Damascus)

Mr. Dalyell: To ask the Secretary of State for Foreign and Commonwealth Affairs, pursuant to his answer of 19 January 1999, *Official Report*, column *436*, what was the cost of damage to the British Council offices in Damascus; and if it has been repaired. [83175]

Mr. Fatchett *[holding answer 4 May 1999]:* The cost of repairs to the damage to the British Council offices in Damascus was £90,000; the office has been repaired.

Peacekeeping (UN)

Mr. Mackinlay: To ask the Secretary of State for Foreign and Commonwealth Affairs, pursuant to his answer of 29 April 1999, *Official Report*, column *266*, if he will identify the articles of the UN Charter where provision is made for those circumstances relating to justifiable use of force, in support of purposes laid down by the Security Council, but which are not subject to specific ratification by the Security Council. [83306]

Mr. Tony Lloyd *[holding answer 4 May 1999]:* There is no general doctrine of humanitarian necessity in international law. Cases have nevertheless arisen (as in Kosovo) when, in the light of all the circumstances, a limited use of force is justifiable under international law in support of purposes laid down by the Security Council but without the council's express authorisation when that is the only means to avert an immediate and overwhelming humanitarian catastrophe. Such cases would in the nature of things be exceptional and would depend on an objective assessment of the factual circumstances at the time and on the terms of relevant decisions of the Security Council bearing on the situation in question.

Iraq

Mr. Winnick: To ask the Secretary of State for Foreign and Commonwealth Affairs what is the latest position on the provision of food and medicines in Iraq; what reports he has received on the number of children suffering in Iraq because of the lack of adequate medicines and other health supplies; and what plans he has to assist them. [83293]

Mr. Fatchett *[holding answer 4 May 1999]:* The export of food and medicines has never been prohibited under sanctions. We are aware of claims that large numbers of children are dying every month. We have some concerns about the original sources of this information and the way the data have been interpreted. According to the most recent UN report on the implementation of "oil for food", the UN humanitarian programme is making a real difference to the humanitarian situation in Iraq. It made clear that in the north, where the UN is responsible for distribution, there were very few if any shortages of essential drugs, and malnutrition was decreasing. In the centre and south, however, the Iraqi Government refuse to engage constructively in the programme. They refuse to make efforts to prioritise properly what is purchased for the programme, to target it towards the most vulnerable, or to improve the poor distribution system.

We are determined to do what we can to improve all aspects of the humanitarian situation. Together with the Netherlands, the UK has tabled a draft Security Council resolution which attempts to translate the work of the three UN Iraq panels into action. On the humanitarian side, our draft resolution brings together a whole range of measures including lifting the ceiling on Iraqi oil exports under "oil for food", streamlining Sanctions Committee approval procedures, allowing local procurement and the payment of local costs, and commissioning expert advice on how to increase Iraq's oil production. These measures should make significant improvements to the humanitarian situation in Iraq.

Venice Commission

Mr. Crausby: To ask the Secretary of State for Foreign and Commonwealth Affairs when the United Kingdom will join the Council of Europe's European Commission for Democracy through Law, the Venice Commission. [83556]

Mr. Tony Lloyd: HMG have given thorough consideration to the merits of the United Kingdom becoming a member of the Venice Commission and have decided to do so with immediate effect.

The Commission is a consultative body of independent experts whose principal work is in advising the new democracies of Central and Eastern Europe on constitutional reform. It provided legal advice to the international negotiators in the run-up to and during the Kosovar negotiations in France in February and March this year. The Commission has been a major contributor to electoral and constitutional reform in Albania and Croatia, and is assisting the Office of the High Representative in Bosnia and Herzegovina on constitutional reform and the revision of the Parliamentary Electoral Law.

Tibetan Hunger Strikers

Mr. Baker: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will request the First

Secretary based in Geneva to visit the three Tibetans on hunger strike in Place des Nations. [82827]

Mr. Fatchett: We are concerned about the well-being of the hunger strikers who have drawn attention to the issue of human rights in Tibet. We hope that they will end their fast. We have no plans to visit them.

Tibet

Mr. Baker: To ask the Secretary of State for Foreign and Commonwealth Affairs what reference he made to the situation in Tibet in his verbal address to the 55 UN Commission on Human Rights. [82859]

Mr. Fatchett: Along with our EU partners, we remain deeply concerned about the human rights situation in Tibet. In Geneva, these concerns were expressed in statements by the EU Presidency, on behalf of all EU Member States, on 23 March, 31 March and 23 April.

Japan

Mr. Alan Simpson: To ask the Secretary of State for Foreign and Commonwealth Affairs how many employees of BNFL are employed in, or attached to, the British Embassy in Japan; and if he will list such persons and the nature of their relationship to the embassy. [83039]

Mr. Fatchett: The British Embassy in Tokyo has one secondee from BNFL, Mr. Tom McLaughlan, who serves as Counsellor (Atomic Energy).

Nuclear Waste

Mr. Alan Simpson: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions his Department has had with Tokyo Electric Power Company concerning the possibility of allowing Japanese intermediate nuclear waste to be stored at Sellafield indefinitely. [83264]

Mr. Fatchett: There have been no discussions between my Department and the Tokyo Electric Power Company concerning the indefinite storage of Japanese intermediate nuclear waste at Sellafield.

HEALTH

Children's Hospice Services

Mr. Oaten: To ask the Secretary of State for Health what was the *(a)* allocation by his Department and *(b)* expenditure by each health authority for supporting children's hospice services in each of the last four years. [78877]

Mr. Hutton: Health authorities receive general allocations to allow them to commission health services for their resident populations, including services to meet the needs of children suffering from life threatening and terminal conditions provided through children's hospices. Information on the amount health authorities spend from their general allocation on these services is not collected centrally.

Pollution

Mr. Dafis: To ask the Secretary of State for Health what studies his Department has *(a)* carried out and *(b)* commissioned on the effects of pollution on health since January 1998; which of these have been published to date; and when he expects the remainder to be published. [82679]

Ms Jowell: The Department has carried out and commissioned a number of studies on the health effects of pollution since January 1998, some through the Medical Research Council and others jointly with the Department of the Environment, Transport and the Regions. Copies of the details of these studies have been placed in the Library. It is not the Department's policy to publish the findings separately, though researchers are encouraged to publish their findings in peer-reviewed journals and in the scientific press on completion of the studies. The vast majority are disseminated in this way.

The Department together with the Department of the Environment, Transport and the Regions has co-funded an indoor air pollution research programme as well as research into the non-auditory health effects of noise and the health effects of chemicals in the environment. Together with the Department of the Environment, Transport and the Regions, the Health and Safety Executive, the Scottish Office, the Welsh Office and the Department of Health and Social Services in Northern Ireland, the Department has agreed to contribute towards a contract with the Imperial College of Science, Technology and Medicine to form the Small Area Health Statistics Unit (SAHSU). SAHSU has carried out research on the effects of air pollution on health since January 1998.

The Department also manages the National Health Service research and development levy which is used to support research and development of relevance to the National Health Service in hospitals, general practice and other health care settings, and to fund the NHS research and development programme. In addition, the Medical Research Council—which receives most of its income via grant-in-aid from the office of my right hon. Friend the Secretary of State for Trade and Industry—funds medical research as part of the Government's funding of the science and engineering base.

In addition to those projects lists, the Department expects to issue a major call for proposals on the effects of air pollution on health over the summer.

Advertising (Medicines)

Mr. Robert Jackson: To ask the Secretary of State for Health by what procedure a substantive issue could be brought before the courts by *(a)* the Licensing Authority, *(b)* the advertiser and *(c)* other parties once a determination had been made and a notice issued to cease advertising under Schedule 13 of the Medicines (Advertising and Monitoring) Amendment Regulations 1999 (SI 267). [82824]

Ms Jowell: Where a determination has been made and a notice issued to an advertiser to refrain from publishing an advertisement, but the advertiser fails to comply with

the notice, the Medicines Control Agency, on behalf of Health Ministers, may prosecute him under paragraph 7 of the Schedule for failure to comply with the notice. The MCA may also apply to the courts for an injunction under regulation 6 of the Monitoring Regulations. The advertiser, or any party who can demonstrate to the courts that he has a legitimate interest, may apply under Order 53 of Schedule 1 to the Civil Procedure Rules 1998 for judicial review of decisions made at any stage of the procedure laid down in the Schedule to the Monitoring Regulations. Parties may also seek a declaration from the High Court that an action of theirs is lawful under Order 15 rule 16 of Schedule 1 to the Civil Procedure Rules.

National Blood Service

Ms Perham: To ask the Secretary of State for Health what progress has been made with the reform of the National Blood Service. [83390]

Mr. Hutton: The National Blood Service is a vital part of the National Health Service and, as such, is expected to provide high quality, cost efficient services. Over the past year, following the report we commissioned from Professor Cash on the Liverpool Blood Centre, the NBS has been working to improve the quality of the services it provides to blood donors, clinicians and patients. But, to achieve lasting improvement, it also needs to modernise the management of the service, both nationally and locally and to develop a clear strategic direction within which all parts of the service can operate. We have therefore approved proposals, submitted by the National Blood Authority, to effect these changes and to ensure a first class future for the National Blood Service.

The existing 3 zone structure into which the National Blood Service is currently organised will be replaced by a single integrated structure. This will improve the performance of the service by creating a greater sense of strategic direction, shared ownership of priorities with the wider NHS and clearer accountabilities. In addition, local services will be enhanced by the appointment of a Blood Centre Head who will lead local service delivery to hospitals and patients.

Copies of the National Blood Authority's plans have been placed in the Library.

LORD CHANCELLOR'S DEPARTMENT

Information Meetings

Mr. Ben Chapman: To ask the Minister of State, Lord Chancellor's Department what network will provide the services provided by the information meeting pilots after 31 May. [82917]

Mr. Hoon: After the pilot information meetings have ceased to operate on 31 May, the Government will consider the lessons to be drawn from the pilot projects, including any lessons as to the types of suppliers best suited to providing such meetings in the future. No decisions on this subject have yet been taken.

Mr. Ben Chapman: To ask the Minister of State, Lord Chancellor's Department what proposals he has for future forms of information meetings following the pilot testing; and when the new system will be established. [82916]

Mr. Hoon: The pilot information meetings are the subject of a major research project. It is, therefore, premature to specify any form for information meetings or date for implementation.

Courts (Disabled Persons)

Mr. Levitt: To ask the Minister of State, Lord Chancellor's Department if the proposed new helpline for court users with disabilities will be accessible for hearing impaired and speech impaired people through the provision of *(a)* a textphone facility and *(b)* the acceptance of calls via the RNID Typetalk service. [83068]

Mr. Hoon: The helpline is not accessible through a textphone service. However, Court Service Users do have access to a textphone service situated at a number of locations, although they are not linked to the helpline. The Court Service disability helpline will accept calls through the RNID Typetalk service.

Office for the Supervision of Solicitors

Mr. Sutcliffe: To ask the Minister of State, Lord Chancellor's Department what representations he has made to the Law Society about investment in the improvements to the Office for the Supervision of Solicitors. [82756]

Mr. Hoon: Spending by the Law Society on the Office for the Supervision of Solicitors is a matter for the Law Society. However, the Lord Chancellor and I have met the President of the Law Society to discuss the performance of the Office in general terms. The Government propose to take powers in the Access to Justice Bill to establish a new office which will be able to intervene effectively to improve complaints handling by the legal professional bodies.

Sandeep Kaur

Mr. Garnier: To ask the Minister of State, Lord Chancellor's Department, pursuant to the letter dated 22 March from the Parliamentary Under-Secretary of State for the Home Department, the hon. Member for North Warwickshire (Mr. O'Brien), when he expects a hearing before the Immigration Appeal Tribunal in the matter of Sandeep Kaur v the Secretary of State for the Home Department. [83093]

Mr. Hoon: Although no fixed date has been given, the Appeal will be heard during June in Birmingham.

Public Record Office

Mr. Yeo: To ask the Minister of State, Lord Chancellor's Department if he will list *(a)* the storage space occupied by the enumerators' books for the 1921–1971 decennial censuses for England and *(b)* the estimated cost of micro-filming each of these censuses at current prices. [83308]

Mr. Hoon: *(a)* The storage space occupied by the enumerators' books for the 1921–1971 decennial censuses for England and Wales is 662 linear metres. It is not possible to provide a separate figure for England. *(b)* It

would not be possible to estimate the cost of micro-filming each of these censuses at current prices without incurring disproportionate cost.

Mr. Yeo: To ask the Minister of State, Lord Chancellor's Department if he will list those hon. Members who, since September 1998 have communicated with the Lord Chancellor's Department about the 1921, 1951 and 1961 census returns and have been informed by the Public Record Office that access to these census returns is covered by the Census Act 1920, as amended by the Census (Confidentiality) Act 1991. [83309]

Mr. Hoon: Since September 1998, the Lord Chancellor's Department and the Public Record Office have corresponded with the following hon. Members concerning public access to the 1921, 1951 and 1961 census returns and informed them that access to these census returns is covered by the Census Act 1920, as amended by Census (Confidentiality) Act 1991: the right hon. Member for North-West Cambridgeshire (Sir B. Mawhinney), my right hon. Friend the Member for Chesterfield (Mr. Benn), the right hon. Member for Skipton and Ripon (Mr. Curry), the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), the hon. Member for South Suffolk (Mr. Yeo), and the hon. Member for Solihull (Mr. J. M. Taylor).

Mr. Yeo: To ask the Minister of State, Lord Chancellor's Department how many linear metres of storage space at the Public Record Office are now *(a)* occupied by records and *(b)* vacant. [83307]

Mr. Hoon: At the Public Record Office, Kew *(a)* 153,300 linear metres of storage space are occupied by records and *(b)* 29,100 linear metres are vacant.

WALES

Class Sizes

6. **Mr. Syms:** To ask the Secretary of State for Wales if he will make a statement about class sizes in *(a)* primary schools and *(b)* secondary schools in Wales. [82090]

Mr. Michael: In January 1998, the average class size in primary schools was 27 pupils for ordinary classes, 26 for nursery classes and 10 for special classes. Overall, 33 per cent. (97,508) of primary school pupils were in classes with 31 pupils or more. The average class size in secondary schools was 21 pupils.

Significant progress has been made in implementing our commitment to reduce all infant class sizes to 30 pupils or less by the end of this Parliament. £11.3 million has been awarded in grant for 1999–2000. It is estimated that this will solve almost 90 per cent. of the problem of large infant classes in Wales.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Public Services

10. **Mr. Simon Hughes:** To ask the Secretary of State for Wales what is the earliest date on which the Government will reconsider the powers allowed to the Welsh Assembly to raise additional resources for public services. [82094]

Mr. Michael: The Government have no plans to alter the financing arrangements for the National Assembly as set out in the 1998 Government of Wales Act.

My priority is to make the Assembly deliver bread today not jam tomorrow. The first challenge to the Assembly is to prove itself by being imaginative and effective with the powers it has been given.

Farming Incomes

11. **Mr. Walter:** To ask the Secretary of State for Wales if he will make a statement about farming incomes in Wales. [82096]

Mr. Jon Owen Jones: The latest estimates of incomes for full-time farmers in Wales were published in February 1999. The figures show the Cash Income for dairy and livestock farms in Wales is forecast to fall by 21 per cent. in 1998–99, to £17,900.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Small Firms

12. **Mr. Bercow:** To ask the Secretary of State for Wales when he last met representatives of the Federation of Small Businesses to discuss the situation of small firms. [82097]

Mr. Michael: The Under-Secretary, my hon. Friend the Member for Neath (Mr. Hain), met representatives of FSB Wales formally on 15 February for the launch of their Manifesto for the National Assembly. We both meet representatives of small businesses regularly, including the FSB at both the all Wales and regional branch levels. I expect this constructive dialogue to continue under the National Assembly for Wales which will have the prime responsibility for consultation with business.

Minimum Wage

13. **Ms Squire:** To ask the Secretary of State for Wales what estimate he has made of the impact of the national minimum wage on the average income in Wales. [82099]

Mr. Michael: I refer my hon. Friend to the answer I gave to my hon. Friend the Member for Monmouth (Mr. Edwards) today, *Official Report*, column 932.

New Deal (Young People)

14. **Mr. Sawford:** To ask the Secretary of State for Wales how many 18 to 25-year-olds in Wales are in full-time work, training, education or on the environment task force as a result of their participation in the New Deal. [82101]

16. **Lorna Fitzsimons:** To ask the Secretary of State for Wales how many 18 to 25-year-olds in Wales are in full-time work, training, education or on the environment task force as a result of their participation in the New Deal. [82103]

Mr. Hain: The latest information indicates that, under the New Deal for 18–24 year olds, some 3,800 young people have found work, over 1,300 are in full-time

education and training, almost 700 are on the Environment Task Force, and some 400 are improving their employability through work with the Voluntary Sector.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Official Representation (Brussels)

15. **Mr. Wigley:** To ask the Secretary of State for Wales what preparatory work his Department has undertaken to establish official representation for Wales in Brussels once the National Assembly has come into existence; and if he will make a statement. [82102]

Mr. Hain: Welsh Office officials are in discussion with the various parties involved in order to present proposals to the Assembly.

Women (Political Opportunities)

17. **Ms Julie Morgan:** To ask the Secretary of State for Wales what plans he has to increase opportunities for women in political life in Wales. [82104]

Mr. Michael: I am committed to increasing the representation of women at all levels of Government. Our White Paper called on local government to consider how they could best schedule meetings to allow councillors to combine elected office with work and family commitments and undertook to work with the Equal Opportunities Commission to consider how more women councillors can be encouraged.

We have agreed that official meetings of the National Assembly should be timetabled between 9.00am and 5.30pm to make it easier to combine politics with family life.

I also believe political parties must rise to the challenge of securing greater representation of women amongst their candidates for election.

Welsh Language

18. **Mr. Fabricant:** To ask the Secretary of State for Wales what steps he is taking to promote the Welsh language. [82105]

Mr. Michael: Steps to promote the Welsh language include providing £5.9 million in grant in aid to the Welsh Language Board in 1999–2000, and putting in place the necessary arrangements to establish the National Assembly as an effective bilingual institution.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Concessionary Travel

19. **Mr. Bradshaw:** To ask the Secretary of State for Wales what estimate he has made of the number of pensioners in Wales who will benefit from the introduction of the concessionary half fare for bus travel. [82106]

26. **Mr. Dobbin:** To ask the Secretary of State for Wales what estimate he has made of the number of pensioners in Wales who will benefit from the introduction of the concessionary half fare for bus travel. [82114]

Mr. Hain: There are some 580,000 people over the retirement age in Wales. We are keen for them all to have access to concessionary fares schemes which provide at least half-price travel for a bus pass costing no more than £5, and we have ensured that all local authorities are now in a position to operate schemes which meet this minimum standard.

Furthermore, we are working with local authorities and bus operators to prepare the way for the introduction of free bus travel for pensioners over the next two to three years.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Health Spending

20. **Mrs. Gorman:** To ask the Secretary of State for Wales if he will estimate the level of health spending per head of population in Wales in 1999–2000 relative to that in England. [82107]

Mr. Jon Owen Jones: Projected spending per head in 1999–2000 is £907 in Wales; in England it is £806.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Haulage Industry

21. **Mr. Swayne:** To ask the Secretary of State for Wales if he will make a statement about the future of the haulage industry in Wales. [82108]

Mr. Hain: The future of the haulage industry in Wales is closely linked with that of the Welsh economy. The prospects for both are excellent. I am aware of the concerns about taxation and competition issues which have been expressed by the industry, which the Government will consider in the recently established Haulage Forum.

Following the transfer of functions, the National Assembly will take a close interest in the haulage industry in Wales.

Milk Marque

22. **Mr. Jack:** To ask the Secretary of State for Wales how many letters he has received from farmers concerned about the future of Milk Marque. [82109]

Mr. Jon Owen Jones: I have received nine letters. I have passed the letters to my right hon. Friend the Secretary of State for Trade and Industry to take the comments into account in his consideration of the Monopolies and Mergers Commission's (MMC, now known as the Competitions Commission (CC)) report into the Dairy Industry.

Following the transfer of functions, the Dairy Industry in Wales will be a matter for the National Assembly but decisions in respect of recommendations from the Competitions Commission (MMC) will remain the responsibility of the Secretary of State for Trade and Industry.

Agenda 2000

23. **Mr. Nicholas Winterton:** To ask the Secretary of State for Wales when he met representatives of the farming unions in Wales to discuss the impact of Agenda 2000 on Welsh agriculture. [82110]

Mr. Jon Owen Jones: Both my right hon. Friend the Secretary of State and I have met with representatives of the farming unions in Wales on numerous occasions during the negotiations on the Common Agricultural Policy reform component of Agenda 2000. Welsh Office officials are currently assessing how the proposed reforms will affect farmers in Wales and we will be discussing this further with the industry in due course.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Chambers of Commerce

24. **Mr. Loughton:** To ask the Secretary of State for Wales when he last met representatives of the chambers of commerce of Wales to discuss the costs of *(a)* tax and *(b)* regulations to business. [82111]

Mr. Michael: I have met a wide range of business representatives to discuss issues affecting business. My predecessor met representatives of the South Wales Chambers of Commerce Group formally during his time as Secretary of State for Wales and I am due to meet representatives of the Cardiff Chamber of Commerce in the near future.

Outdoor Education

25. **Fiona Mactaggart:** To ask the Secretary of State for Wales if he will make a statement on provision of outdoor education for pupils in Wales. [82112]

Mr. Hain: Physical Education forms an integral part of the National Curriculum in Wales. Outdoor and adventurous activities form part of the programmes of study for Physical Education at Key Stages 2 to 4. There is compelling evidence that habits formed by young children at primary school age persist into later life and that fit and active children will be much better placed to enjoy a fulfilling and healthy adult life. Elements of "games", such as running, throwing and jumping, that are taught as a compulsory part of the primary school curriculum, help address concerns that some areas of Wales have the highest rates of heart disease in Britain. In other areas of the curriculum, schools use outdoor environments to support programmes of study as appropriate. Awdurdod Cymwysterau, Cwricwlwm ac Asesu Cymru/The Qualifications, Curriculum and Assessment Authority for Wales (ACCAC) will be consulting in the summer term on proposals for a new curriculum to be introduced from September 2000.

Following the transfer of functions, responsibility for education matters in Wales will pass to the National Assembly.

Voluntary Organisations

Mr. Barry Jones: To ask the Secretary of State for Wales if he will make a statement on his funding of voluntary organisations in Wales. [82727]

Mr. Jon Owen Jones: On 6 April, my right hon. Friend announced nearly £3 million funding for the voluntary sector organisations listed for the current financial year. This represents a five per cent. increase for the organisations over the previous year and demonstrates our commitment to a vigorous voluntary sector.

Grants awarded:	*£000*
Local Voluntary Services Scheme (LVS)	1,719
Transitional Funding LVS	35
Wales Council for Voluntary Action (WCVA) Administration of LVS	43
WCVA	441
Volunteering in Wales Fund	557
Community Enterprise Wales	54
Business in the Community Wales	21
Community Services Volunteers (CSV)	35
Student Community Action	21
Welsh Black Voluntary Sector Network	21
CSV and Senior Volunteers Programme	20

ACCAC Budget

Mr. Dafis: To ask the Secretary of State for Wales what was the total amount of money returned to his Department's budget from Awdurdod Cwricwlwm Cymwesterau ac Asesu Cymru (ACCAC) in 1998–99. [82698]

Mr. Hain: No money was returned to the Department's budget by ACCAC in 1998–99.

Following the transfer of functions, this issue will be a matter for the National Assembly.

Rail Travel

Mr. Baker: To ask the Secretary of State for Wales what assessment he has made of the potential for increased travel by rail. [82098]

Mr. Michael: One of the main objectives of the Government's integrated transport policy is to encourage greater use of public transport, including rail. The National Assembly will be contributing to the work which the shadow Strategic Rail Authority has under way to develop a strategic plan for the railways.

Following the transfer of functions, responsibility for the regulation and financial support of rail services will remain with he Secretary of State for the Environment, Transport and the Regions.

National Assembly

Mr. Luff: To ask the Secretary of State for Wales what representations he has received about devolving additional powers to the Welsh Assembly. [82100]

Mr. Michael: I refer the hon. Member to the reply I gave to the hon. Member for Chipping Barnet (Sir S. Chapman) on 31 March 1999, *Official Report*, column 725.

Written Answers to Questions

Thursday 6 May 1999

HOUSE OF COMMONS

Opposition Parties (Financial Assistance)

Mr. McCabe: To ask the President of the Council what arrangements have been agreed for financial assistance to opposition parties. [83392]

Mrs. Beckett: The Committee on Standards in Public Life recommended in October 1998 that financial assistance to opposition parties (known as "Short money") should be reviewed with a view to increasing it substantially, perhaps by as much as three times. Such assistance has been provided to opposition parties since 1975 to enable them more effectively to perform their parliamentary duties. It is claimed in respect of parties' parliamentary business and is largely spent on research assistance for opposition spokesmen, assistance in the opposition parties' Whips' offices and staff for the Leader of the Opposition.

It has now been agreed that basic Short money will be increased by a factor of 2.7. This means that the opposition parties will receive £10,732.69 for every seat won and £21.44 for every 200 votes cast in their favour at the last general election. The travel fund for party spokesmen will be increased in line with inflation. The Neill Committee also recommended a specific allocation for the Leader of the Opposition's Office and this has now been set at £500,000 a year.

The maximum sums each party will receive in the 1999–2000 financial year are set out as follows:

	£
Conservative	3,377,973.27
Liberal Democrat	1,085,009.82
Scottish Nationalist Party	134,643.44
Plaid Cymru	61,859.17
Ulster Unionist	138,749.97
Democratic Unionist	33,871.20
SDLP	54,111.99

Select Committees (Overseas Travel)

Dr. Gibson: To ask the hon. Member for Roxburgh and Berwickshire, representing the House of Commons Commission, how much funding has been allocated to each select committee for overseas travel since May 1997. [82937]

Mr. Kirkwood: The Commission approves an annual figure for Select Committee travel; allocation to individual Committees is made, on its behalf, by the Liaison Committee. The figures for the total budget for the last three financial years are as follows:

	£
1997–98	695,000
1998–99	949,975
1999–2000	975,600

ENVIRONMENT, TRANSPORT AND THE REGIONS

Organophosphates (Aircraft)

Ann Clwyd: To ask the Secretary of State for the Environment, Transport and the Regions what research his Department has *(a)* commissioned and *(b)* evaluated on the effects on airline flight crews of organophosphate air pollution on board aircraft. [82322]

Ms Glenda Jackson: An organic phosphate compound Tricresylphosphate (TCP) is used as a load carrying additive for lubricants in aircraft jet engines. While TCP is toxic, it is not comparable to the organophosphates used in pesticides. While an aircraft is in flight, fresh air is taken in through air conditioning packs using compressed air supplied by the engines. These are designed to ensure that fumes from the engines do not enter the aircraft. However, in the very rare event of the failure of an engine seal, fumes could enter the air conditioning system and therefore the aircraft cabin. If this happens, the air conditioning unit can be isolated or the engine shut down, minimising any exposure to fumes.

We have no evidence to suggest that fumes from aircraft engines have lead to long term health problems for aircraft crew or passengers. However, we are aware that this issue is being investigated in other countries and will review the situation once those investigations are completed.

London Underground

Mr. Brake: To ask the Secretary of State for the Environment, Transport and the Regions if he will publish London Transport's report "The Future of London Underground". [82739]

Ms Glenda Jackson: Neither we nor LT intend to publish this document, which was produced to assist our consideration of the options for London Underground in 1997.

All the key points relating to the Government's announcement of their chosen London Underground Public Private Partnership option were covered in the document "London Underground Public Private Partnership—Fact and Analysis", copies of which were deposited in the Library on 20 March 1998.

Fair Trade Products

Ms Ward: To ask the Secretary of State for the Environment, Transport and the Regions what plans he has to introduce fair trade products at *(a)* meetings, *(b)* events and *(c)* catering facilities within his Department. [82870]

Mr. Meale: I refer my hon. Friend to the answer given to her by my hon. Friend the Economic Secretary on 5 May 1999, *Official Report*, column *410*.

My Department's policy is to keep the matter under review and to ask caterers to set out their policy and charges for the use of fair trade products. It is then for local managers to decide on the scope to use fair trade products, having regard to value for money. Fair trade products have recently been introduced in vending machines in our London Headquarters buildings.

British Rail Land

Mr. Fearn: To ask the Secretary of State for the Environment, Transport and the Regions how much British Rail land was sold to private companies in *(a)* 1996, *(b)* 1997 and *(c)* 1998. [83005]

Ms Glenda Jackson: Total sales of land by the British Railways Board for each financial year are as follows:

1996–97: 518 sales for £65.6 million

1997–98: 800 sales for £76.3 million

1998–99: 222 sales for £33.0 million.

Information on which sales were to private companies, private individuals (who may be buying for use by a private company) or public bodies is not held in a readily available form and could be provided only at disproportionate cost to the Board.

Accidents (Local Authority Compensation)

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions what statistics his Department collates on payments by local authorities in compensation to people injured as a result of an accident arising from an inadequately maintained pavement or highway. [83469]

Mr. Meale: This information is not centrally available.

NORTHERN IRELAND

Early Release (Prisoners)

Mr. Donaldson: To ask the Secretary of State for Northern Ireland what legal costs were incurred in respect of the processing of applications from prisoners for early release under the provisions of the Northern Ireland (Sentences) Act 1998. [82333]

Mr. Ingram: The total paid up to and including 23 April 1999 by way of legal aid direction by the Commissioners is £36,034.

With regard to other legal costs incurred by the Secretary of State, the information in the form requested is not readily available and could be obtained only at disproportionate cost.

Special Advisers

Mr. Tyrie: To ask the Secretary of State for Northern Ireland, pursuant to her answer of 29 March 1999, *Official Report*, column *477*, on Special Advisers, if she will give the total travel cost of each occasion when advisers travelled abroad in an official capacity since 2 May 1997 and the place visited. [82415]

Marjorie Mowlam: For the period 2 May 1997 to 31 March 1999, Special Advisers in my Department have travelled overseas in an official capacity on 5 occasions. The costs are shown in the table.

All travel complied with the requirements of the Ministerial Code and the Civil Service Management Code.

Date/Place visited	*Cost[1] (£)*
12 November 1997	
New York/Washington/Boston/San Francisco	5,397.70
14 March 1998	
Boston/Washington/New York	5,324.60
19 July 1998	
Boston/Washington/New York	2,386.50
6 October 1998	
New York	3,261.95
15 March 1999	
Washington/New York	3,360.40

[1] The cost refers to flights only

Paramilitary Violence

Mr. William Ross: To ask the Secretary of State for Northern Ireland (1) if she will list for the week ended Saturday 24 April the number of violent incidents involving paramilitary groups which took place in Northern Ireland, indicating how many involved *(a)* Loyalist and *(b)* Republican groups; [82740]

(2) if she will list for the week ended Saturday 24 April the number of *(a)* punishment beatings and *(b)* punishment shootings which took place in Northern Ireland, indicating how many in each category were committed by (i) Loyalist and (ii) Republican groups. [82741]

Mr. Ingram: The number of security incidents during the period 18 April to 24 April 1999 are shown in the table.

	Number
Shootings	2
Bombings	1

The number of casualties as a result of paramilitary-style attacks during the period are as follows:

	Loyalist	*Republican*
Assaults	1	1
Shootings	1	1
Total	2	2

Note:
1. Figures may be subject to minor amendments.
2. The shooting and bombing incidents cannot as yet be firmly attributed to grouping.

Traffic Lights (Newtownards)

Mr. John D. Taylor: To ask the Secretary of State for Northern Ireland what plans she has to return the

sequencing of the traffic lights at the junction of Mill Street and Circular Road, Newtownards, County Down, to their original setting. [82742]

Mr. Paul Murphy: Responsibility for the subject in question has been delegated to the Roads Service under its chief executive, Mr. W. J. McCoubrey. I have asked him to arrange for a reply to be given.

Letter from W. J. McCoubrey to Mr. John D. Taylor, dated 30 April 1999:

The Secretary of State for Northern Ireland has asked me to respond to your recently tabled Parliamentary Question about the sequencing of the traffic signals at the junction of Mill Street and Circular Road in Newtownards.

By way of background, I should explain that, in order to accommodate the laying of a watermain in July and August last year, a one-way traffic system was introduced on South Street. As a result, traffic was diverted along Circular Road and the traffic signals at the junction in question were altered to deal with this additional flow.

On completion of these works, we carried out a detailed assessment of traffic flow at this junction. We concluded that the original traffic light phasing contained conflicting traffic movements which reduced the operational efficiency of the junction. In addition, there was evidence that drivers were using the Scrabo estate as a "rat run" to avoid the junction, particularly during morning peak times. By removing these conflicting movements, the new phasing has improved road safety, increased the junction's capacity and reduced the benefits of using Scrabo Estate as a "rat run". Whilst the length of the queues on some approaches to the junction may have increased during peak times, adjustments have been carried out to increase the number of vehicles passing through the junction.

In the circumstances, Roads Service has no plans to revert to the old phasing. There may, however, be some isolated off-peak periods that could benefit from further timing alterations. We will continue, therefore, to monitor the junction and amend the timings as and when necessary.

I hope this helps clarify the situation.

CABINET OFFICE

Government Offices of the Regions

Mr. Laxton: To ask the Minister for the Cabinet Office what progress has been made on the review of the future of Government Offices of the Regions of England. [83181]

Mr. Meale: I have been asked to reply.

The Performance and Innovation Unit in the Cabinet Office is carrying out a study of the role of central Government at regional and local level in England. This includes considering the role of Government Offices in the Regions. A consultation document was circulated to interested parties in March, seeking responses by 1 June. The study is due to be completed by the end of the summer.

CULTURE, MEDIA AND SPORT

Hotels

Mr. Peter Ainsworth: To ask the Secretary of State for Culture, Media and Sport which organisation will in future be responsible for monitoring hotel bed occupancy rates. [83034]

Janet Anderson *[holding answer 4 May 1999]:* The English Tourist Board is currently responsible for monitoring hotel bed occupancy rates through data collected as part of the UK Occupancy Survey (UKOS). The ETB runs the UKOS in partnership with the national tourist boards of Scotland, Wales and Northern Ireland. The English Tourism Council, in partnership with the national tourist boards, will retain responsibility for commissioning the UKOS.

FOREIGN AND COMMONWEALTH AFFAIRS

Treaty of Amsterdam

Mr. Mitchell: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will list those matters currently solely within Her Majesty's Government's responsibility for which by virtue of the treaty of Amsterdam responsibility will be jointly held with an institution of the EU on the coming into force of that treaty. [83280]

Ms Quin: The treaty of Amsterdam broadens the competence of the Community institutions mainly in areas where they already share responsibility with the member states. Such areas include the environment, social policy, employment policy, non-discrimination, public health and consumer protection.

It also introduces new Community competence over policies on the free movement of persons in new Title IV of the EC Treaty. However, the UK will not be bound by any measures adopted under this Title unless it chooses to be so.

Kosovo

Sir Robert Smith: To ask the Secretary of State for Foreign and Commonwealth Affairs what measures he has taken to ensure that the Serbian population is informed of Nato's action relating to the crisis in Kosovo. [83141]

Mr. Tony Lloyd: We are using a variety of means to get the truth into Yugoslavia. The BBC World Service has increased its Serbian programming by almost half. It is now broadcasting 3 more 15 minute news bulletins. We are working with the BBC to find ways of getting our medium wave and FM footprint into Serbia as well so that the BBC's impartial reporting can be heard.

We are also using the Foreign Office's own media facilities to get our message across to the Serbian people. The London Radio Service has more than doubled its bulletins and has set up a Serbian language service now used by 3 stations in Montenegro. British Satellite News also offers a 7 day service and is used by 43 television stations in the Balkans, Ukraine and Russia.

We have used the internet to send a message to the Serbian people over the head of President Milosevic. Our Kosovo website gets 25,000 hits a day. We have translated it into Serbian and over 1,200 hits a day come from Yugoslavia.

Spent Nuclear Fuel

Mr. Hancock: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he

has held with his German counterpart on the amount of storage space for spent nuclear fuel *(a)* currently available and *(b)* under construction in Germany. [82945]

Mr. Fatchett *[holding answer 5 May 1999]:* I have, to date, had no such discussions with my German counterpart. I refer the hon. Member to the answer given today by my hon. Friend the Minister for Energy and Industry (82944).

Arms Export Licences

Dr. Tonge: To ask the Secretary of State for Foreign and Commonwealth Affairs how many arms export licence applications his Department has *(a)* examined and *(b)* advised against granting since September 1997. [83092]

Mr. Tony Lloyd: From 1 October 1997 to 31 March 1999, 12,073 Standard Individual Export Licence applications, covering arms and other goods the export of which is controlled for strategic reasons, were circulated to the Foreign and Commonwealth Office by the Department for Trade and Industry for advice, in accordance with the FCO's requirements. In the same period, 924 Open Individual Export Licence applications were also circulated to the FCO, although this figure does not reflect subsequent requests for alterations to either the goods or the consignee schedules of these licences.

The Government's first Annual Report on Strategic Export Controls, which marks a new level of transparency in relation to the Government's export licensing policy, gives details of all licence applications refused in the period 2 May to 31 December 1997, broken down by country and equipment category. Details of licences refused in 1998 will be given in the next Annual Report.

EDUCATION AND EMPLOYMENT

Standards and Effectiveness Unit

Mrs. May: To ask the Secretary of State for Education and Employment how many staff were employed in the Standards and Effectiveness Unit of his Department on 31 March; what the budget was of that unit in 1998–99; and what budget has been set for the unit in 1999–2000. [82015]

Ms Estelle Morris *[holding answer 26 April 1999]:* The number of staff employed in the Standards and Effectiveness Unit on 31 March was 148. The budget for the Unit in 1998–99 was £4.8 million; the budget for 1999–2000 is £5.9 million. A significant part of the increase in the budget is due to the transfer of four teams covering specialist schools in September 1999. The complement of staff in the SEU is drawn mainly from existing Civil Servants together with a small number of external practitioners, including heads and inspectors, appointed to bring the benefit of their experience to the Department.

School Furniture

Mr. Fearn: To ask the Secretary of State for Education and Employment what recent assessment his Department has made of the state of repair of school furniture. [82908]

Ms Estelle Morris: None. Schools are responsible for the maintenance of their furniture, and for utilising their delegated budgets for this purpose as necessary. The Government have supported schools by increasing recurrent provision for local authority education services by £1.1 billion for 1999–2000.

School Swimming Lessons

Mr. Gordon Prentice: To ask the Secretary of State for Education and Employment if he will rank local education authorities in England by the amount of swimming time and instruction offered to schools; and if he will make a statement. [83238]

Mr. Charles Clarke: This information is not collected centrally. However, the Government believe it is extremely important that young people should learn to swim. Swimming is therefore a compulsory element of the PE curriculum in all primary schools.

PE (Primary Schools)

Mr. Reed: To ask the Secretary of State for Education and Employment what plans he has to improve the quality of physical education in primary schools. [83247]

Mr. Charles Clarke: This Government believe that PE and sport are essential to a rounded education. We have therefore committed £400 million of Lottery money through the New Opportunities Fund to after-school learning, including PE, sports, games and outdoor activities.

The review of the National Curriculum for the year 2000 is looking at all areas of the school curriculum, including physical education in primary schools. My right hon. Friend the Secretary of State will be consulting widely on draft proposals for a revised National Curriculum during the summer, before final decisions are taken.

The Government will also be publishing a sports strategy paper later this year that will include the promotion of physical and sporting opportunities for young people as one of its principal aims. The Government also fund Sport England, whose Active Schools programme ensures quality sports provision in schools through a variety of initiatives, including BT TOP Sport, Sportsmark and Sportsmark Gold awards, Coaching for Teachers and the Sporting Ambassadors scheme. Sport England have committed £3.1m to Active Schools this year, in addition to Lottery funding of £7.75m towards TOP Play and BT Top Sport.

School Funding (Amber Valley)

Judy Mallaber: To ask the Secretary of State for Education and Employment if he will give a breakdown of capital allocations to schools in Amber Valley since May 1997. [83158]

Mr. Mudie *[holding answer 4 May 1999]:* The information requested by my hon. Friend is shown in the following table.

Capital allocations for the Amber Valley since May 1997

School name	New Deal for Schools	Seed Challenge Fund	Disability and Access Initiative	Supplementary Credit Approvals	Voluntary Rationing Scheme	Grant Maintained Schools
Horsley Woodhouse	70,000	—	—	—	—	—
Swanwick Primary	205,000	—	—	—	—	—
Pottery Primary	225,000	—	—	—	—	—
Heague Primary	240,000	—	—	—	—	—
John Flamsteed	669,163	—	—	—	—	—
Heanor Gate School	—	150,000	24,748	—	—	97,382
Ridings Junior	—	—	—	—	—	—
Morley Primary	—	—	—	—	—	—
Mapperley CE Primary	—	—	—	—	—	—
Stanley Common	—	—	—	—	—	—
Denby Free	—	—	—	6,675	—	—
Mill Hill	—	—	30,630	—	—	—
Church Infant	—	—	—	—	—	—
Ripley St. John	—	—	—	—	—	—
Langley Mill C of E	—	—	—	—	—	—
Christ the King RC	—	—	—	—	3,752	—
Fritchley C of E	—	—	—	—	2,202	—
Mortimer School	—	—	—	175,000	—	—
Little Eaton	—	—	—	—	—	—
ACG	—	—	—	—	—	—
Total	1,409,163	150,000	55,378	181,675	5,954	97,382

School name	Special Education Needs	Outside Toilets Initiative	Named Minor Capital Works	Class Size Initiative	Annual Capital Guidelines	Grand Total
Horsley Woodhouse	—	—	—	—	—	—
Swanwick Primary	—	—	—	—	—	—
Pottery Primary	—	—	—	—	—	—
Heague Primary	—	—	—	—	—	—
John Flamsteed	—	—	—	—	—	—
Heanor Gate School	—	—	—	—	—	—
Ridings Junior	—	40,250	—	—	—	—
Morley Primary	—	35,190	—	—	—	—
Mapperley CE Primary	—	44,000	—	—	—	—
Stanley Common	—	50,000	—	—	—	—
Denby Free	—	—	80,842	—	—	—
Mill Hill	—	—	—	—	—	—
Church Infant	1,500	—	—	—	—	—
Ripley St. John	1,000	—	—	80,000	—	—
Langley Mill C of E	10,000	—	—	—	—	—
Christ the King RC	10,500	—	—	2,938	—	—
Fritchley C of E	—	—	—	—	—	—
Mortimer School	—	—	—	—	—	—
Little Eaton	—	—	—	80,000	—	—
ACG	—	—	—	—	107,271	—
Total	23,000	169,440	80,842	162,938	107,271	2,443,043

Judy Mallaber: To ask the Secretary of State for Education and Employment what has been the total capital allocation to schools in Amber Valley since May 1997. [83157]

Mr. Charles Clarke *[holding answer 4 May 1999]:* The resources allocated since May 1997 for capital purposes to schools in the Amber Valley amount to £2,443,043.

Education Expenditure

Mr. Don Foster: To ask the Secretary of State for Education and Employment if he will list by local education authority the expenditure per pupil at 1998–99 prices from aggregate schools budgets in *(a)* maintained primary schools and *(b)* maintained secondary schools in (i) 1996–97, (ii) 1997–98 and (iii) 1998–99, giving the average percentage change from (1) 1996–97 to 1997–98 and (2) from 1997–98 to 1998–99. [81648]

Ms Estelle Morris *[pursuant to her reply, 28 April 1999, c. 181]:* Unfortunately the table which was provided in the reply contained errors. A revised table has been placed in the Library today.

Environment Task Force

Mr. Stunell: To ask the Secretary of State for Education and Employment how many New Deal trainees were in post on the Environment Task Force in each region of the United Kingdom at the most recent date for which figures are available. [83149]

Mr. Andrew Smith: The information set out in the following table shows the number of young people who were on the New Deal Environment Task Force option at the end of February 1999. The figures have been drawn from the latest Government Statistical Service report and are shown by each of the Employment Service Regions in Great Britain.

ES region	*Participants on ETF option*
East Midlands and Eastern	510
London and South East	980
Northern	610
North West	1,080
South West	330
West Midlands	540
Yorkshire and the Humber	960
Office for Wales	730
Office for Scotland	840
Great Britain total	6,590

Note:
Regional figures are rounded and do not, therefore, sum to the total

Mr. Stunell: To ask the Secretary of State for Education and Employment what plans he has to increase Environment Task Force placements under the New Deal. [83148]

Mr. Andrew Smith: The Employment Service continues to work closely with its partners and Environment Task Force providers in each of its Regions to build up new placements and maintain current placements for the Environment Task Force option. The Employment Service has no evidence that an increased number of placements is required over and above those already contracted for.

TRADE AND INDUSTRY

Knowledge-based Enterprise

2. **Joan Ruddock:** To ask the Secretary of State for Trade and Industry if he will make a statement on his Department's work to increase the number of high-productivity and knowledge-based enterprises. [82358]

Mr. Wills: The Competitiveness White Paper, published in December last year, included a range of measures designed to help business meet the challenge of the knowledge driven economy. Publication of the Implementation Plan, in March of this year, demonstrated the Department's determination to carry through the commitments contained in the White Paper.

Environmental Sustainability

20. **Helen Jackson:** To ask the Secretary of State for Trade and Industry what steps he is taking to support policies on environmental sustainability for manufacturing industry. [82380]

Mr. Battle: The Government are determined to help business meet the challenge and seize the opportunities of sustainability. In just the last month, I have announced new funding of around £8 million for a new Sustainable Technologies Initiative, £12 million to kick start a £60 million high tech drive to develop cleaner coal technologies, and the latest phase of the Foresight Vehicle programme which is supporting over £25 million of innovative research to develop the technologies needed for the next generation of more sustainable vehicles.

National Minimum Wage

21. **Mr. Pound:** To ask the Secretary of State for Trade and Industry what assessment he has made of the impact of the national minimum wage since its introduction. [82381]

Mr. Ian McCartney: It is early days; the national minimum wage has been in operation for only 5 weeks. However, recent independent research shows not only that most employers (almost 90 per cent.) support the principle of the minimum wage but that 40 per cent. had adjusted their pay structures prior to its introduction. There is no evidence of higher costs feeding into higher prices and there were few signs of any demand for the restoration of pay differentials. There was little evidence of significant job losses; in fact, staff levels among smaller firms have increased by 11 per cent. over the past year—staff turnover had fallen in traditionally low paying industries.

Mr. Love: To ask the Secretary of State for Trade and Industry what assessment he has made of the effect of the national minimum wage since its introduction. [82361]

Mr. Ian McCartney: The national minimum wage, since its introduction in April, has benefited some two million of the lowest paid workers in the country, and their families. The principle of a minimum wage is supported by the vast majority of companies in this country.

The Inland Revenue are enforcing the national minimum wage, and they supply my Department with data on all matters relating to compliance on a regular basis. Early indications are that awareness of the law is high, and so is compliance. Only in relatively few cases have we had reports of deliberate underpayment. These are being actively pursued.

Mr. Rammell: To ask the Secretary of State for Trade and Industry if he will make a statement on the impact of the national minimum wage. [82384]

Mr. Ian McCartney: The Government asked the Low Pay Commission to monitor and evaluate the introduction and impact of the national minimum wage with particular reference to the effects on pay, employment and competitiveness. The Commission has been asked to report its findings by December.

Mr. Sheerman: To ask the Secretary of State for Trade and Industry what estimate he has made of the number of people who have benefited from the introduction of the national minimum wage. [82357]

Mr. Ian McCartney: The Government estimate that nearly 2 million workers have benefited from the introduction of the national minimum wage. Recent research commissioned by Reed Personnel Services shows that almost 9 out of 10 companies surveyed support the minimum wage in principle and that 4 out of 10 had already adjusted their pay scales ahead of the introduction of the minimum wage on 1 April.

Adjusted data from official statistics, available in October, will give some indication of the extent of the shift in workers' earnings resulting from the national minimum wage.

Fiona Mactaggart: To ask the Secretary of State for Trade and Industry what representations he has received on the implementation of the national minimum wage. [82372]

Mr. Ian McCartney: The Department has received a number of representations about the implementation of the national minimum wage legislation. In addition, the Inland Revenue, which is enforcing the minimum wage, has received some 500 reports of underpayment of the minimum wage and is approaching employers to resolve the complaints.

Overseas Trade Fairs

22. **Mr. Bob Russell:** To ask the Secretary of State for Trade and Industry how much was spent on overseas trade fairs to promote British exports in each of the last three financial years for which figures are available. [82382]

Mr. Byers: My Department spent £20.2 million in 1996–97, £20.5 million in 1997–98 and £18.6 million in 1998–99, including the Commercial Excellence scheme, on overseas trade fairs to promote British exports.

Small Businesses

24. **Mr. Wyatt:** To ask the Secretary of State for Trade and Industry what steps he is taking to ensure that small businesses have access to finance for development. [82385]

Mr. Wills: The Government are concerned to ensure that small businesses have access to sources of finance which are appropriate to their needs. The private sector is primarily responsible for designing and delivering finance products to small business and successfully meets their needs in the vast majority of cases. I am aware, however, that some small businesses have faced difficulties in raising the right finance. In particular, there can be problems in securing debt finance where a business has no track record or available security and in raising venture capital in small amounts. We therefore announced, in the Competitiveness White Paper (Cmd 4176), the creation of the Enterprise Fund. As well as continuing to fund the Small Firms Loan Guarantee Scheme, this Fund will also act to stimulate the availability of venture capital for smaller, growing businesses.

In addition, we are working with the key players in the informal investment or "business angel" markets to stimulate the availability of venture capital from individual investors.

Milk Marque

25. **Mr. Breed:** To ask the Secretary of State for Trade and Industry when he expects to announce his decision on Milk Marque following the Monopolies and Mergers Commission report. [82386]

Mr. Byers: I am aware that many members and their constituents in the dairy industry have a keen interest in the Monopolies and Mergers Commission report on the supply in Great Britain of raw cows' milk. I will publish it as soon as is practicable.

Working Time Directive

26. **Mr. Gapes:** To ask the Secretary of State for Trade and Industry what assessment he has made of the number of people who have become entitled to annual leave as a result of the working time directive. [82387]

Mr. Ian McCartney: At the time of the Regulations coming into force on 1 October 1998 it was anticipated that 2.5m workers would benefit from the entitlement to paid annual leave. A Regulatory Impact Assessment on the costs and benefits resulting from the implementation of the Working Time Regulations was made, a copy of which is held in the Library of the House.

Export Promotion

27. **Mr. Bill O'Brien:** To ask the Secretary of State for Trade and Industry what recent measures his Department is taking to support British companies in respect of export promotion; and if he will make a statement. [82389]

Mr. Byers: My right hon Friend the Foreign Secretary announced on 12 March 1999, *Official Report*, columns *399–400*, the Government's response to the Cabinet Secretary's Review of Export Promotion, the core of which is that all trade promotion and development activities of the DTI and FCO should be unified in a new joint operation, British Trade International, with a single Chief Executive. The organisation will give Britain a sharper edge in export markets. Once implemented, the provisions of the Review will allow us to provide a more coherent service which is readily accessible to UK businesses wherever they are located. Copies of the report have been placed in the libraries of the House.

Rolls-Royce

28. **Mr. Gordon Prentice:** To ask the Secretary of State for Trade and Industry what conditions he attached to the launch aid awarded to Rolls-Royce to help with the development of the Trent engine. [82391]

Mr. Battle: When I announced the public-private partnership with Rolls-Royce on 12 November 1997, *Official Report*, columns *626–27*, providing for up to £200 million of public investment in further development of the Trent aeroengine, my Department had signed a detailed contract with Rolls-Royce plc in relation to this partnership. The main conditions contained were that the company should continue its successful development of the Trent aeroengines involved, and that this should secure considerable benefit for the company, its suppliers and the wider economy.

E-commerce

29. **Ms Moran:** To ask the Secretary of State for Trade and Industry if he will make a statement on the outcome of the latest consultations with industry on E-commerce. [82393]

Mr. Wills: I am pleased to say that we have received over 240 responses to Building Confidence in Electronic Commerce—A Consultation Document. I have arranged for a list of respondents—except those who asked for their response to be kept confidential—to be placed in the House of Commons Library. The responses are currently

being carefully analysed. A summary will be published in due course. The Electronic Commerce Bill will be introduced into Parliament later this session.

Employment Relations Bill

30. **Mr. Geraint Davies:** To ask the Secretary of State for Trade and Industry what steps he is taking to advise business of the opportunities and implications of the Employment Relations Bill. [82394]

Mr. Ian McCartney: My right hon. Friend the Secretary of State, other ministerial colleagues and I speak frequently to a wide range of audiences about the advantages of the partnership approach embodied in the Employment Relations Bill. Information about the progress of the Bill is on the DTI website. We will publish full guidance for all concerned before the Bill's provisions come into force.

Wind Generation

Mr. Paterson: To ask the Secretary of State for Trade and Industry what estimate he has made of the number of new wind turbines which will be installed by 2002. [83319]

Mr. Battle *[holding answer 4 May 1999]:* The number of new wind turbines likely to be installed in 2002 depends largely on the size of machines which generators choose to employ. For example, a growth in generation of 300 GWh would require about 220 machines if their average size was 0.6 MW or about 130 machines if their average size was 1 MW.

Mr. Paterson: To ask the Secretary of State for Trade and Industry what has been the total subsidy provided by the Government to the wind generation industry to date. [83323]

Mr. Battle *[holding answer 5 May 1999]:* I expect the average premium price paid to fall as wind energy capacity contracted, under the Order which I made last September for the fifth Non-Fossil Fuel Obligation at an average price of 2.88 p/kWh, is commissioned. The charge to the Fossil Fuel Levy of providing premium prices for electricity from wind turbines was £200 million to February 1999.

Mr. Paterson: To ask the Secretary of State for Trade and Industry if he will estimate the average costs per kilowatt hours of wind-generated energy. [83324]

Mr. Battle *[holding answer 5 May 1999]:* In England and Wales the average premium price of electricity generated in February 1999 by wind turbines contracted under the Non-Fossil Fuel Obligation arrangements was 5.2 p/kWh compared to the average price for generation from conventional sources of 3.0 p/kWh over the same period.

Mr. Paterson: To ask the Secretary of State for Trade and Industry what reports he has received of instances of wind turbines having thrown broken blades to the ground. [83318]

Mr. Battle *[holding answer 5 May 1999]:* I have received no reports of instances of these machines' broken blades falling to the ground.

Mr. Paterson: To ask the Secretary of State for Trade and Industry how many new wind turbines will be required to meet the Government's targets on renewable energy. [83327]

Mr. Battle *[holding answer 5 May 1999]:* The number of new wind turbines required to contribute towards this target depends on the range and mix of renewable technologies employed, such as biomass, offshore wind, wave, landfill gas and energy from waste, and the contribution that each one makes.

Mr. Paterson: To ask the Secretary of State for Trade and Industry what has been the cost to date to public funds of failed applications to establish wind farms. [83321]

Mr. Battle *[holding answer 5 May 1999]:* There is no cost to public funds of failed applications to develop wind farms; the premium price is paid only when the wind turbines generate electricity.

Mr. Paterson: To ask the Secretary of State for Trade and Industry what representations he has received opposing the establishment of new wind farms. [83322]

Mr. Battle *[holding answer 5 May 1999]:* I have recently published "New and Renewable Energy: Prospects for the 21st Century" and have invited views on a wide range of issues concerning the greater deployment of a range of renewable sources of energy, including wind energy, by 28 May. The representations made so far have been positive, constructive and encouraging.

Small and Medium-sized Enterprises

Mr. Reed: To ask the Secretary of State for Trade and Industry what plans he has to increase support for small and medium-sized enterprises in the East Midlands. [83163]

Mr. Wills: There are many initiatives, arising from the December 1998 Competitiveness White Paper, which are intended to increase support for small and medium-sized enterprises (SMEs). These initiatives will benefit SMEs in all regions, including the East Midlands.

On 10 March 1999, *Official Report*, columns 367–79, my right hon. Friend the Secretary of State set out a detailed implementation plan for each of the commitments in the Competitiveness White Paper. A copy of the Competitiveness White Paper implementation plan has been placed in the House of Commons Library.

My right hon. Friend's announcement also included details of the Small Business Service. This service will directly address the needs of small businesses by making improvements in the quality and coherence of the delivery of services to small businesses both at local level and, where appropriate, nationally. The department will be publishing a consultation document in the near future on the specific role and functions of the Small Business Service. I will be welcoming views from all interested parties.

On 12 March 1999, *Official Report*, columns 399–400, my right hon. Friend the Foreign Secretary, announced the creation of British Trade International, a unified DTI/FCO operation which will lead the Government's activities on international trade promotion. This new organisation will

improve the level of service which is provided to those SMEs currently exporting and those who wish to export. Sir David Wright took up post as Chief Executive of British Trade International on Tuesday 4 May.

E-envoy

Mr. Chope: To ask the Secretary of State for Trade and Industry on what date the Government's proposed e-Envoy will *(a)* be appointed and *(b)* commence work; and what his salary will be. [83313]

Mr. Wills *[holding answer 5 May 1999]:* No final decisions have yet been taken. The Government plan to make an announcement on the e-Envoy shortly.

Electronic Signatures

Mr. Chope: To ask the Secretary of State for Trade and Industry if he will place in the Library details of the common position which was recorded at the EU Telecoms Council in Luxembourg on 22 April on the European Directive on electronic signatures. [83312]

Mr. Wills *[holding answer 5 May 1999]:* The formal common position text of the European Directive on electronic signatures will be placed in the Library of the House as soon as it has been to Jurists/Linguists.

Spent Nuclear Fuel

Mr. Hancock: To ask the Secretary of State for Trade and Industry if the material recovered from reprocessing of German spent nuclear fuel has a commercial value in the United Kingdom. [82893]

Mr. Battle *[holding answer 5 May 1999]:* The uranium and plutonium contained in spent nuclear fuel can be used in the manufacture of fresh fuel and therefore, once separated through reprocessing, have a commercial value. The separated waste recovered from the reprocessed spent fuel has no commercial value. All the materials recovered from reprocessing German spent fuel in the UK remain the property of the German utility concerned and must be returned to Germany.

Mr. Hancock: To ask the Secretary of State for Trade and Industry what assessment he has made of the prospects for onward sale outside the UK of the material recovered from the processing of German spent nuclear fuel. [82892]

Mr. Battle *[holding answer 5 May 1999]:* None. Spent nuclear fuel imported into the UK for reprocessing and the products which are recovered from that fuel (uranium, plutonium and waste) remain, at all times, the property of the overseas customer. It remains the firm policy of the UK Government that these materials be returned to the country of origin.

Mr. Hancock: To ask the Secretary of State for Trade and Industry what discussions he has held with his German counterpart on the amount of storage space for spent nuclear fuel *(a)* currently available and *(b)* under construction in Germany. [82944]

Mr. Battle *[holding answer 5 May 1999]:* None. Requirements for spent fuel storage facilities in Germany are a matter for the owners of the spent fuel and the relevant German regulatory authorities.

British Nuclear Fuels

Mr. Chaytor: To ask the Secretary of State for Trade and Industry if he will list the companies of which the directors of British Nuclear Fuels Limited are directors. [82508]

Mr. Battle: The information is provided in BNFL's annual return to the Registrar of Companies. I have, however, asked BNFL's Company Secretary to write to my hon. Friend direct, and will place a copy of that letter in the Library of the House.

Exports (Indonesia)

Ann Clwyd: To ask the Secretary of State for Trade and Industry what is the current ECGD exposure on exports to Indonesia. [82390]

Mr. Byers: ECGD's exposure on Indonesia is £1,541 million, of which £48 million is in respect of unrecovered claims.

Manufacturing

Mrs. Organ: To ask the Secretary of State for Trade and Industry if he will make a statement on the competitiveness of the manufacturing sector. [82374]

Mr. Byers: The decisive action we have taken to promote economic stability, coupled with the measures announced in our Competitiveness White Paper, will help improve the long-term competitiveness of the manufacturing sector.

Mobile Communications Networks

Mr. Pearson: To ask the Secretary of State for Trade and Industry if he will make a statement on progress towards issuing licences under the Wireless Telegraphy Act for operators of third-generation mobile communications networks. [83794]

Mr. Wills: Following extensive consultation and careful consideration the Government have decided to offer five third-generation licences by means of auction. The licences will comprise three of (2x10)+5MHz, one of 2x15MHz and one of (2x15)+5MHz. The largest will be reserved for a new entrant. It believes that this will most effectively allow the benefits of third-generation to the UK economy and consumers to be realised. In particular, it is convinced that these benefits are most likely to be maximised by encouraging market entry and competition.

The Director General of Telecommunications will shortly issue for statutory consultation draft amendments to existing public mobile operators' Telecommunications Act licences which are intended to provide any new entrants with the right to roam onto at least one second generation mobile network.

The Government continue to expect that, subject to market and other developments and to final decisions nearer the time, the auction will take place in the second half of the financial year 1999–2000.

PRIME MINISTER

Kosovo

Mr. Dalyell: To ask the Prime Minister, pursuant to his oral answer of 28 April 1999, *Official Report*, column 338, what independent evidence he has assessed to support the statement attributed to Dr. Dobruna and Professor Kelmendi that 45 per cent. of Kosovan villages had been destroyed by the Serbs by February; and what information he received on the backgrounds of Dr. Dobruna and Professor Kelmendi prior to 28 April. [83174]

The Prime Minister *[holding answer 4 May 1999]:* Reports from many sources, including members of the OSCE Kosovo Verification Mission prior to their withdrawal from Kosovo in March this year, indicated that a large number of villages in Kosovo had been substantially damaged or destroyed. I received no specific information on the backgrounds of Dr. Dobruna and Professor Kelmendi.

Mr. Dalyell: To ask the Prime Minister, pursuant to his oral answer of 28 April 1999, *Official Report*, column 334, what is the result of NATO's study of the best way to implement the embargo; and what is the name of the village near Djakovica to which he referred. [83177]

The Prime Minister *[holding answer 4 May 1999]:* Options for implementation of an oil embargo are currently being considered and a decision is expected shortly.

The name of the village near Djakovica is Mej.

Select Committee Reports

Mr. Duncan Smith: To ask the Prime Minister, pursuant to his oral answer to the hon. Member for Arundel and South Downs (Mr. Flight), of 31 March 1999, *Official Report*, column 1080, on which public interest grounds under paragraph 1 section (IV) of the ministerial code the Chancellor of the Exchequer declined to give the information requested by the hon. Member for Chingford and Woodford Green in his question answered on 19 March 1999, *Official Report*, column *857*. [80580]

The Prime Minister *[holding answer 13 April 1999]:* The answers which my right hon. Friend the Chancellor gave the hon. Member on 30 March 1999, *Official Report*, column *667*, and 13 April 1999, *Official Report*, columns *122–23*, explained that he had provided a detailed account of the position in his reply of 16 March 1999, *Official Report*, columns *641–42*.

Planning

Mr. Gummer: To ask the Prime Minister (1) with which companies, not at present trading in the UK, he has discussed planning issues during the past year; [83160]

(2) with which retail businesses he has discussed planning issues during the past year; [83162]

(3) when he last met representatives of Wal-Mark; what subjects were discussed; and who was present. [83161]

The Prime Minister: I have regular meetings with business leaders from the United Kingdom and overseas and others, including consumer and environmental groups, on a wide range of subjects, and will continue to do so. As with previous Governments, it is not my practice to provide details of confidential discussions. However, as has already been stated publicly, I met the President of Wal-Mark International about a month ago. The meeting was a short courtesy call at his request.

All planning applications are made to the local planning authority and decisions are made in accordance with the development plan. The Government's Response to the Fourth Report of the Environment, Transport and Regional Affairs Select Committee on Shopping Centres published in July 1997 (Cmnd 3729) reaffirmed the policy set out in Planning Policy Guidance Note 6 (PPG6), which seeks to focus development, especially retail development, within existing town centres.

Falkland Islands

Mr. Hayes: To ask the Prime Minister, pursuant to his oral answer to my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) of 28 April 1999, *Official Report*, column 342, concerning flights between Chile and the Falkland Islands, on what date the representations were made; and what form they took. [83232]

The Prime Minister *[holding answer 4 May 1999]:* I refer the hon. Member to the answer given by my right hon. Friend the Foreign Secretary to my hon. Friend the Member for Ilford, North (Ms Perham) on 28 April 1999, *Official Report*, column *180*.

TREASURY

Road Hauliers

Mr. Gibb: To ask the Chancellor of the Exchequer how many road hauliers' jobs have been lost since 1 May 1997. [82191]

Ms Hewitt: The information requested falls within the responsibility of the Director of the Office for National Statistics. I have asked him to reply.

Letter from Tim Holt to Mr. Nick Gibb, dated 6 May 1999:

As Director of the Office for National Statistics (ONS), I have been asked to reply to your recent parliamentary question on road hauliers' job losses.

Information is available for the net change in the number of jobs, and not for the number of jobs created or lost. The most up-to-date number of Employee jobs in freight transport by road in Great Britain is derived from the Annual Employment Survey (AES). At September 1997, latest available date, there were 227,800 employed in freight transport by road in Great Britain. The corresponding figure for September 1996 was 2[illegible],600.

Civil Registration System

Mr. Kidney: To ask the Chancellor of the Exchequer what action he is taking to improve the civil registration system. [82924]

Ms Hewitt: I refer my hon. Friend to the answer I gave to my hon. Friend the Member for Preseli Pembrokeshire (Ms Lawrence) on 7 December 1998, *Official Report*,

columns 27–28. I have asked the Registrar General for England and Wales to carry out a review of the civil registration system with the aim of producing a public consultation document this summer. The review, which is underway, will consider the existing operational framework and set out options for the future development of the service.

Risk Management Systems

Mr. Cousins: To ask the Chancellor of the Exchequer what steps he is taking to encourage financial institutions to improve their risk management systems. [83243]

Ms Hewitt: Improving risk management is a priority both domestically and internationally. The G7 Finance Ministers and Central Bank Governors have encouraged the Basle Committee on Banking Supervision to finalise its work on revising the Basle Capital Accord so that it better reflects risk. More specifically, following the near-failure of the LTCM hedge fund, the Basle Committee published a sound practices paper setting out ways in which financial institutions could improve their risk management processes. Other international bodies are also looking at issues relating to hedge funds and their work will be coordinated by a working group of the newly established Financial Stability Forum. The Financial Services Authority are working closely with the institutions they supervise to ensure that their risk management processes follow good practice.

Royal Mint

Mr. Livsey: To ask the Chancellor of the Exchequer when a decision will be announced on the review of options for the future of the Royal Mint undertaken by his Department. [83186]

Ms Hewitt: The Chancellor and I are currently considering the options that have been examined. A decision will be announced in the near future.

Bereavement Tax Credit

Dr. Cable: To ask the Chancellor of the Exchequer what estimate he has made of the number of widows who will *(a)* lose bereavement tax credit in the 1999–2000 budget and *(b)* be eligible for the new benefits which replace the tax credit. [79089]

Angela Eagle: I have been asked to reply.

The widows' bereavement allowance will not be abolished for existing claimants, but there will be no new claims to the allowance for deaths occurring after 5 April 2000.

As a result of the reforms of widows' benefits it is estimated that, in the first full year of implementation:

around 40,000 widows and 20,000 widowers will be entitled to the Bereavement Payment;

around 10,000 new widows and 20,000 widowers will be entitled to Widowed Parent's Allowance; and

around 10,000 widows and 10,000 widowers will be entitled to Bereavement Allowance.

Note:

Figures have been supplied by the Government Actuary's Department. They are rounded to the nearest 10,000 and are subject to a wide range of uncertainty.

Dr. Cable: To ask the Chancellor of the Exchequer what estimate he has made of the revenue implications in 1999–2000 and 2000–01 of the abolition of bereavement tax credit for widows and its replacement by benefits. [79090]

Angela Eagle: I have been asked to reply.

The Widows' Bereavement Allowance will not be abolished for existing claimants, but there will be no new claims to the allowance for deaths occurring after 5 April 2000. The revenue effect of this change is estimated to be a saving of £15 million in 2000–01. The new bereavement benefits, which are unlikely to be implemented before April 2001, are estimated to cost around £140 million in the first year of implementation.

SOCIAL SECURITY

Single Parents (Benefits)

Mr. Field: To ask the Secretary of State for Social Security how many single parents were receiving benefits; what proportion of them were known to be receiving maintenance payments; and what was the average maintenance payment, in each of the last 30 years. [83185]

Angela Eagle: The information is not available in the format requested. Such information as is available is in the tables.

Number of lone parents on benefit and the number of those receiving maintenance since November 1995

	Lone parents on benefits (thousand)	*Those receiving maintenance (thousand)*	*Percentage receiving maintenance*	*Average weekly maintenance (£ per week)*
November 1995	1,337	217	16	29.69
November 1996	1,338	232	17	30.62
November 1997	1,334	248	19	31.53
November 1998	1,326	269	20	31.62

Notes:

1. Figures derived using ASD1's 5 per cent. scans of the Income Support (IS), Family Credit (FC) and Child Support Agency (CSA) systems.
2. Lone parents on benefit comprises lone parents receiving IS or FC. For technical reasons it is not possible to add Incapacity Benefit data to the analysis, although it is thought that the additional lone parents this would identify is negligible
3. Lone parents receiving maintenance comprises:

(a) CSA parents with care (PWCs) where the Non-Resident Parent (NRP) is paying child maintenance via the CSA collection service (ie is fully or partially compliant);

(b) CSA PWCs where payment is direct between the NRP and the PWC; CSA PWCs where the NRP is making a contribution to maintenance from their IS and income-based JSA;

(d) Non-CSA IS and FC lone parents recorded as being in receipt of maintenance. This will include lone parents receiving maintenance other than child maintenance.

Information for the period before November 1995 takes no account of CSA records and is not directly comparable and is set out in the table.

Lone parents receiving Supplementary Benefit/Income Support or Family Income Supplement/Family Credit, 1968–94

Year	Supplementary Benefit/Income Support			Family Income Supplement/Family Credit		
	Number of claimants (thousand)	Percentage with maintenance	Average (£ per week)	Number of claimants (thousand)	Percentage with maintenance	Average (£ per week)
1968	157	—	—	—	—	—
1969	177	—	—	—	—	—
1970	191	—	—	—	—	—
1971	213	58.5	—	15	—	—
1972	227	59.2	—	33	—	—
1973	228	—	—	41	—	—
1974	245	58.7	—	39	—	—
1975	233	65.2	—	30	—	—
1976	303	56.4	—	31	—	—
1977	309	55.6	—	37	—	—
1978	322	53.2	—	41	—	—
1979	306	51.5	—	38	—	—
1980	316	48.4	—	50	—	—
1981	369	46.3	—	59	—	—
1982	415	41.3	—	66	—	—
1983	449	36.9	—	79	—	—
1984	492	32.0	—	81	—	—
1985	—	—	—	82	—	—
1986	575	28.4	—	84	—	—
1987	629	25.5	—	92	—	—
1988	694	22.1	—	94	—	—
1989	756	22.2	—	114	27.2	17.82
1990	793	20.4	18.88	122	25.5	18.64
1991	871	20.9	20.12	132	26.0	20.22
1992	957	19.4	22.41	160	26.5	23.07
1993	1,013	17.5	22.32	208	28.2	25.04
1994	1,039	14.3	25.43	236	30.0	26.50

— Denotes information not available

Notes:

1. Numbers are rounded to the nearest thousand, percentages to one decimal point.
2. Numbers are given at a point in time. From Supplementary Benefit/Income Support from 1969 to 1974 and 1977 to 1979 the month was November. For 1975, 1976 and 1980 to 1984 the month was December. In 1986 and 1996 the month was February and from 1987–94 the month was May. For Family Income Supplement 1971 figures are for August and all other figures represent May.
3. Proportion receiving maintenance may be subject to a degree of double counting of around 1 per cent. around quoted figures prior to 1990.
4. Family Credit replaced Family Income Supplement in April 1988.
5. Income Support replaced Supplementary Benefit in April 1988.
6. Supplementary Benefit/Income Support single parents from 1988 onwards are defined as single people with dependants not receiving a disability or pensioner premium. The equivalent statistical group has been used prior to 1988.
7. Supplementary Benefit/Income Support figures are based on a sample size of 1 in 40 between 1969 and 1976, 1 in 50 between 1977 and 1987, 1 in 100 between 1988 and 1993 and 5 per cent. thereafter. Family Income Supplement/Family Credit figures are based on a 20 per cent. sample up to 1973, a 10 per cent. sample from 1974 to 1988 and a 5 per cent. sample from 1989.
8. Supplementary Benefit/Income Support cases with maintenance are based on maintenance received by either the claimant or the Department as either a Court Order or a voluntary payment.
9. Figures are not available in 1985 due to industrial action.

Sources:

1. Supplementary Benefit Statistics Annual Enquiries 1969–87.
2. Income Support Statistics Annual Enquiries, 1988–93.
3. Social Security Statistics 1972, 1976, 1977, 1983, 1984, 1987, 1988 and 1989.
4. Family Credit Statistics 5 per cent. sample of awards.

Fair Trade Products

Ms Ward: To ask the Secretary of State for Social Security what plans he has to introduce fair trade products at *(a)* meetings, *(b)* events and *(c)* catering facilities within his Department. [82865]

Mr. Timms: I refer my hon. Friend to the written answer from my hon. Friend the Economic Secretary on 5 May 1999, *Official Report*, column *410*.

Income Support (Pensioners)

Mr. Webb: To ask the Secretary of State for Social Security for what reason older pensioners receive higher rates of income support than younger pensioners. [82706]

Mr. Timms: The higher premium rate for older pensioners was proposed in the 1985 Green Paper "Reform of Social Security Programme for Change" for those most likely to have continuing health problems or to be frail and in need of special support in maintaining themselves in the community. The Green Paper proposed two routes to the premium, one age related, the other for younger pensioners receiving benefits related to disability or continuing incapacity.

Incapacity Benefit

Ms Walley: To ask the Secretary of State for Social Security if he will list for *(a)* 1996–97 and *(b)* 1997–98 the numbers of new claimants to incapacity benefit who

have been unemployed for a minimum of two years prior to their claims and are receiving (i) occupational benefit and (ii) industrial disablement benefit for (1) the United Kingdom, (2) regional Benefits Agency areas and (3) North Staffordshire, indicating in each case the average age of the new claimant. [82681]

Mr. Bayley: The information is not available in the form requested because the data collected on new claims do not include the length of time a person was unemployed prior to claiming Incapacity Benefit or whether they are receiving Occupational Pension. Such information as is available is set out below.

Records show that at 31 March 1997, 49 per cent. of Incapacity Benefit recipients had previously been unemployed. It is estimated that around a third of Incapacity Benefit recipients have an Occupational Pension.

Pensioner Income

Mr. Viggers: To ask the Secretary of State for Social Security, pursuant to his answer of 28 April 1999, *Official Report*, columns *165–66*, on pensioner incomes, what would be the difference in income between a single man of 65 with no savings or resources and the income of a single man of 65 who has resources of at least £16,000 but no additional pension from SERPS; and what amount of money would be required to purchase an annuity to fund this difference. [83178]

Mr. Timms: The amounts of Housing Benefit and Council Tax Benefit that a person receives depends on local factors as well as personal circumstances. As an illustrative example, a hypothetical 65-year-old man with no savings or resources who receives the average Housing Benefit and average Council Tax Benefit received by those on Income Support aged 60 or over would receive £127 a week in Income Support, Housing Benefit and Council Tax Benefit.

The amount is £60 more than the full basic pension and, at February 1999 annuity rates, a lump sum of £43,000 would be required to fund this difference.

It is, however, extremely unlikely that a person would receive the full basic pension and have £16,000 in savings without having any second-tier pension as any employee who earns over the Lower Earnings Limit for National Insurance contributions automatically builds up rights to a second-tier pension. Furthermore, information from the 1996 General Household Survey suggests that half of those who are self-employed are currently contributing to a personal pension and a further 10 per cent. have contributed in the past.

Notes:

1. Weekly income figures are rounded to the nearest pound and the lump sum figure is rounded to the nearest £1,000.

2. The latest available data are used for average levels of benefit receipt, the level of Income Support and annuity rates:

Income support and basic State pension level—1999–2000 figures;

Average Housing Benefit/Council Tax Benefit received—May 1997 data expressed in February 1999 figures;

Annuity rates—February 1999 figure.

Pensions

Mr. Field: To ask the Secretary of State for Social Security what proportion of defined benefit occupational pension schemes operate clawback of more than the level of the basic state pension. [83274]

Mr. Timms: The Department does not collect this information.

DEFENCE

Jaguar Aircraft

Mr. Hancock: To ask the Secretary of State for Defence when he expects the last Jaguar aircraft to be taken out of active service. [82518]

Mr. Spellar: On current plans, the last Jaguar aircraft will be taken out of active service in the later part of the next decade.

Mr. Hancock: To ask the Secretary of State for Defence what plans he has for further expenditure on Jaguar aircraft before they are taken out of service. [82519]

Mr. Spellar: We plan to spend only what is necessary to ensure that the Jaguar fleet is able to meet its operational commitments, and achieve safely its remaining service life.

Armed Forces Personnel Administration Agency

Mr. Todd: To ask the Secretary of State for Defence what key targets have been set for the Armed Forces Personnel Administration Agency for the financial year 1999–2000. [83763]

Mr. Doug Henderson: Key Targets have been set for the Chief Executive of the Armed Forces Personnel Administration Agency for the financial year 1999–2000. The targets build upon progress made by the Agency since it formed on 1 April 1997 and are as follows:

1. Pay, allowances and pensions payments

Whilst making 100 per cent. of payments of pay, allowances and pensions by the due date, the number of errors per 1,000 payments not to exceed 2.5 for pay and allowances and 2.5 for pensions.

2. Accuracy of personnel records and liabilities data

Initiate a plan with customers by June 1999 to improve the completeness and accuracy of the record of service, to assist in the further development of unit based systems.

3. Currency of personnel records and liabilities data

Update all personnel records and liabilities data within 2 days of valid input.

4. Responsiveness

Resolve 91 per cent. of inquiries, written or through official help desks, within 10 working days, across all services, where information and/or authority is within AFPAA's control.

5. Efficiency

To reduce the average unit costs to deliver AFPAA services by 3 per cent. this year.

WALES

Special Advisers

Mr. Matthew Taylor: To ask the Secretary of State for Wales on what dates special advisers from his Department travelled abroad on official business since 2 May 1997; which countries were visited on each occasion; and what were the names of the special advisers who travelled abroad on each occasion. [82254]

Mr. Tyrie: To ask the Secretary of State for Wales, pursuant to his answer of 31 March 1999, *Official Report*, column 726, on special advisers, if he will give *(a)* the total travel cost of each occasion when a departmental special adviser has travelled abroad in an official capacity since 2 May 1997 and *(b)* the place visited. [82433]

Mr. Michael: In February 1998 (10 to 12) Mr. Huw Roberts travelled to Brussels, Belgium at a cost, including travel and subsistence costs, of £175 to The Welsh Office.

In March 1998 (20 to 22) Mr. Huw Roberts travelled to Dublin, Republic of Ireland at a cost, including travel and subsistence costs, of £150 to The Welsh Office.

All travel complies with the requirements of the Ministerial Code and the Civil Service Management Code.

National Assembly (Pensions)

Ms Lawrence: To ask the Secretary of State for Wales if he will publish the directions setting out the pension scheme for members of the National Assembly for Wales. [83725]

Mr. Hain: I have today put copies of The National Assembly for Wales (Assembly Members) (Pension Scheme) Direction 1999 in the Libraries of the House.

Talgarth Relief Road

Mr. Livsey: To ask the Secretary of State for Wales how many letters and representations he has received from the Brecon Beacons National Park concerning the Talgarth Relief Road (Southern Section); and how many were *(a)* in favour of and *(b)* opposed to the scheme. [83332]

Mr. Hain: Prior to the Public Inquiry the Welsh Office Highways Directorate received one letter from the Brecon Beacons National Park Authority in support of its published proposals for a Talgarth Bypass. Following publication of the Inspector's Report, which recommended against proceeding with the published scheme, no further representations have been received.

Following the transfer of functions, this issue will be a matter for the National Assembly.

HEALTH

Ambulance Service (Fuel Costs)

Miss Widdecombe: To ask the Secretary of State for Health if he will estimate the cost of the increases in fuel duty since 1997 on the fuel bill of ambulance services in England. [81796]

Mr. Hutton *[holding answer 23 April 1999]:* We estimate the costs of the increase in fuel duty since 1996–97 to be about £3.73 million. This amounts to less than 0.075 per cent. of hospital and community health services spending over the two years since 1997.

Hepatitis C

Mr. Godsiff: To ask the Secretary of State for Health if he will assess the benefits of providing financial assistance schemes for people who contracted hepatitis C through contaminated blood products as a result of NHS treatment. [82860]

Mr. Hutton: We carried out a thorough assessment in 1998 of whether it would be right to introduce a special payment scheme for people infected with hepatitis C through National Health Service treatment. We concluded that this would not be appropriate and that such patients should continue to obtain support through the benefits system in the same way as other NHS patients who have suffered non negligent harm.

Obstetrics and Gynaecology

Dr. Harris: To ask the Secretary of State for Health (1) what plans he has to *(a)* ensure that NHS trusts create more consultant posts in obstetrics and gynaecology and *(b)* restrict the creation by NHS trusts of non-consultant career-grade posts in obstetrics and gynaecology; [83270]

(2) what assessment he has made of the lack of consultant numbers in the NHS hospital obstetrics service; and if he will make a statement on the level of consultant cover on labour wards. [83271]

Mr. Denham *[holding answer 5 May 1999]:* It is for National Health Service trusts, who are accountable for the quality of services they provide, to decide the number and grade of staff they need. Only they can judge exactly what is required to deliver quality services in their location.

In view of the availability of trained specialists in obstetrics and gynaecology, National Health Service Executive Regional Offices are being asked to arrange workshops and seminars, involving their health authorities, NHS trusts and local professional representatives. The aim is to encourage local managers to review the staffing and grade mix in large obstetric units and consider how services might be improved by creating further consultant posts in obstetrics and gynaecology.

Dr. Harris: To ask the Secretary of State for Health what estimate he has made of the cost to the NHS and HEFCE of training specialists in obstetrics and gynaecology from entrance into medical school, through three years of general professional services and through a complete full-time specialist (CCST) training scheme. [83268]

Mr. Denham *[holding answer 5 May 1999]:* The cost to the National Health Service and the Higher Education Funding Council for England of a five year undergraduate medical course is around £160,000.

The Health Service makes a significant investment in postgraduate medical education. Doctors in postgraduate training follow an apprenticeship model where their training is inextricably bound up with the service they provide. Even within specialties the length and type of training will vary according to the particular career path

an individual chooses and their rate of progress. For these reasons, it is not possible to put a meaningful figure to the cost of training individuals to Certificate of Completion of Specialist Training level.

Dr. Harris: To ask the Secretary of State for Health what estimate he has made of the number of obstetricians and gynaecologists who have obtained their Certificate of Completion of Specialist Training and who *(a)* face redundancy this year due to lack of consultant posts and *(b)* are still in training posts six months after obtaining their CCST. [83269]

Mr. Denham *[holding answer 5 May 1999]:* On 1 April 1999, there were 117 obstetricians and gynaecologists who had obtained their Certificate of Completion of Specialist Training (CCST) and who had not found a consultant appointment. Of these, 86 had been in training posts for six months or more, after obtaining their CCST. We expect that some of these will obtain consultant posts this year, but it is not possible to say how many at this stage. We are considering a range of options for tackling this situation.

Dr. Harris: To ask the Secretary of State for Health if he will increase the funding for obstetrics and gynaecology to implement the proposals of the NHSE voting groups to improve standards of care given to women and babies. [83276]

Mr. Denham: The working group has proposed that National Health Service trusts should be encouraged to review staffing in obstetric and gynaecology services.

Dr. Harris: To ask the Secretary of State for Health what plans he has to extend the contracts of those *(a)* specialist registrars and *(b)* senior registrars in obstetrics and gynaecology who have obtained their CCST but who have not found consultant posts. [83275]

Mr. Denham: Under current regulations, all holders of Certificates of Completion of Specialist Training (CCST) may be given an extension to their contracts of up to 6 months in order to secure a job. Because of the difficulties being experienced by CCST holders in obstetrics and gynaecology, it has been agreed that they may have their contracts extended for a further period of up to 12 months, making a total of 18 months in all.

Beta Interferon

Mr. Edwards: To ask the Secretary of State for Health if he will make a statement about the availability of beta interferon on prescription for people with the progressive type of multiple sclerosis. [82881]

Mr. Denham: The Department will shortly be consulting with interested parties on a draft health service circular on the prescribing of beta-interferon for people with secondary progressive multiple sclerosis.

INTERNATIONAL DEVELOPMENT

Civil Society Unit

Dr. Tonge: To ask the Secretary of State for International Development if she will make a statement on the remit of the civil society unit in her Department. [83079]

Mr. Foulkes: The civil society unit, which was formerly called the NGO Unit, will continue to administer the Joint Funding Scheme, and will administer its successor, the new Civil Society Challenge Fund, and new Partnership Programme Agreements. The Civil Society Challenge Fund will have a focused approach to strengthening civil society in developing countries and will be open to a wide range of UK civil society groups. Partnership Programme Agreements will set out shared objectives with organisations engaged in a range of the Department for International Development's strategic concerns and will provide strategic funding links with the Department. More generally, the Unit will seek to widen our relationships with civil society organisations in the UK who share our objectives of the elimination of world poverty.

AIDS

Dr. Tonge: To ask the Secretary of State for International Development what were the levels of expenditure on the international AIDS vaccine initiative in (i) 1997–98 and (ii) 1998–99. [83081]

Mr. Foulkes: Britain provided £200,000 to support the work of the International AIDS Vaccine Initiative (IAVI) in 1998–99. We made no contribution in 1997–98.

We are currently developing a longer term and more substantial programme of support with the IAVI, which will begin in 1999–2000.

Kosovo

Dr. Tonge: To ask the Secretary of State for International Development what proportion of that aid given in connection with the Balkans conflict is currently being given directly to support Albanian families housing Kosovan refugees. [83082]

Mr. Foulkes: The Red Cross movement has the lead role in distributing food and other relief supplies to host families and refugees outside the camps. Details of the proportion of aid going to support host families are not available.

Dr. Tonge: To ask the Secretary of State for International Development what support her Department is giving to the development of a website to help Kosovar refugees. [83091]

Mr. Foulkes: The International Committee of the Red Cross are playing a major role in tracing and reunification. They are already making use of the Internet as one tool in these efforts. The Department for International Development has given £2.5 million to the International Committee of the Red Cross, part of which is being used for family tracing.

Birth Certificates

Dr. Tonge: To ask the Secretary of State for International Development if she will list those purposes for which her Department and its executive agencies

require a birth certificate to be furnished by (i) employees, (ii) contractors, (iii) those applying for employment or contracts and (iv) other persons. [83083]

Mr. Foulkes: The Department for International Development may ask to see a birth certificate as a proof of identity when recruiting staff directly. On retirement from service, and prior to payment of pension, a member of staff may be requested to produce a copy of their birth certificate as a double check on age.

We require proof of date of birth before determining eligibility for a colonial pension. However, in almost every case the claimant's birth certificate had been seen many years earlier by the relevant employer and/or pension authority. The requirement to produce a birth certificate in support of such a claim is therefore very rare.

While we do not require birth certificates from contractors or consultants, we ask to see birth certificates for the children of staff working overseas to assess eligibility for various allowances including education allowances and holiday visit passages.

The DFID has no executive agencies.

Sudan

Dr. Tonge: To ask the Secretary of State for International Development if the seed and tools packages provided by the United Kingdom have arrived in southern Sudan in time for spring planting. [83086]

Mr. Foulkes: Yes.

Dr. Tonge: To ask the Secretary of State for International Development what plans she has for primary education to form part of the humanitarian aid for southern Sudan. [83087]

Mr. Foulkes: We are prepared to consider realistic and viable proposals to provide basic education services in southern Sudan. But sustainable services will be possible only when peace is secured.

Dr. Tonge: To ask the Secretary of State for International Development what data she has collated on current food supplies in southern Sudan. [83089]

Mr. Foulkes: The situation is much better than last year. People are in better condition and prospects for the 1999 cereal crop look good. However, southern Sudan is a food deficit area. The UN World Food Programme estimates that in 1999 there will be a 10 per cent. deficit between local food availability and total anticipated needs. This is estimated at 90,000 tonnes of food which includes 20,000 tonnes to support the most vulnerable.

Dr. Tonge: To ask the Secretary of State for International Development what plans she has to ensure a supply of fishing tackle to the people of southern Sudan before the floods begin at the end of the year. [83090]

Mr. Foulkes: Fish is an important element of the diets of vulnerable people in southern Sudan. We are willing to consider supporting, at the appropriate time of the year, well constructed and viable proposals for the provision of fishing tackle.

HOME DEPARTMENT

Immigration Advisers

Mr. Clappison: To ask the Secretary of State for the Home Department what representations he has received about the proposed level of registration charges for immigration advisers. [82536]

Mr. Mike O'Brien: We have received no representations about the proposed level of registration charges for immigration advisers. We have received a number of inquiries about the basis on which charges were estimated for illustrative purposes in the Regulatory Impact Assessment for Part V of the Immigration and Asylum Bill.

Open Government

Dr. David Clark: To ask the Secretary of State for the Home Department what was the average cost of each case in which information was supplied under the Open Government: Code of Practice on Access to Government Information in the last parliamentary session. [83273]

Mr. Straw: Information is not collated either centrally, or in Departments, on the average cost of supplying information under the Code of Practice on Access to Government Information.

In most cases, requests under the Code are for information which it is necessary for the public to have as part of the fair and accountable performance of the functions of Government. Such requests are dealt with in the same way as general correspondence and separate accounting is not systematically undertaken.

In order to provide a range of estimates for the cost of meeting requests for information under the proposed Freedom of Information Bill, a low cost estimated of £62 (the average cost of replying to a Parliamentary Question) and a high cost estimate of £350 (reflecting additional work needed to collate an extensive range of information) was used. These are typical costs of responding to Code requests, but are not average costs.

Where information is provided in order to meet a specific individual request, which is not in the course of a Department's normal day-to-day business, a charge may be made to help defray the costs. Where charges are made, Departments are required to strike a balance between the interests of the applicant and those of the taxpayer. Individual Departments decide how best to apply this principle to their particular circumstances, and charges will not necessarily reflect the actual cost to the Department of supplying the information.

The charging schemes for each Department are set out at Appendix 5 of the 1997 Report on the Code of Practice, a copy of which is available in the Library. In that year charges were levied in 242 cases out of 3,772 requests logged as Code requests (6.4 per cent.).

I hope to be able to publish the 1998 Code Report in the next few weeks.

Transsexuals

Mr. Cotter: To ask the Secretary of State for the Home Department, pursuant to his answer of 14 April 1999, *Official Report*, column *257*, which Minister in his

Department will oversee the work of the Inter-departmental Working Group on the status of transsexual people. [83045]

Mr. Straw: The right hon. Lord Williams of Mostyn.

Mr. Cotter: To ask the Secretary of State for the Home Department if he will list the police forces which have implemented guidelines for officers dealing with *transsexual and trans-gendered* people; and what recommendation his Department makes to police forces regarding treatment of transsexual and trans-gendered people. [83021]

Mr. Boateng: The Home Office makes no specific recommendations to the police service about the treatment of transsexual and trans-gendered people. However, advice on dealing with transvestites and transsexual people was issued to all forces in the Spring of 1998 by the Association of Chief Police Officers Race and Community Relations sub-committee. I am placing a copy in the Library. Information is not held centrally on details of forces which have implemented these guidelines.

Kosovan Asylum Seekers

Ms Abbott: To ask the Secretary of State for the Home Department how many Kosovan asylum seekers are currently in detention in the United Kingdom. [82689]

Mr. Mike O'Brien: I have instructed that all known Kosovan asylum seekers are released from detention. I am satisfied therefore that there are no asylum seekers whom we accept to be Kosovan currently detained under Immigration Act powers. There are, however, some detainees who are believed to be Albanian nationals.

Competitive Bidding

Mr. Öpik: To ask the Secretary of State for the Home Department if he will list the bids by regional non-Governmental organisations that have been *(a)* received and *(b)* successful in each of the competitive bidding processes launched and managed by his Department since May 1997. [82462]

Mr. Straw *[holding answer 28 April 1999]:* The available information is as-follows:

Subject	*Bids received*		*Bids successful*	
	£ million	*Number*	*£ million*	*Number*
Grants to voluntary organisations	5.075	103	1.828	34
Targeted Policing	31.5	73	[1]5.2	11
Burglary Initiative	not costed	125	1.8	30
Close Circuit Television bids	13.989	283	1.537	32

[1] This is a provisional figure as firm decisions will not be made until early June 1999

Non-governmental organisations may also bid for funds under the Invest to Save and Capital Modernisation programmes. These are administered by Her Majesty's Treasury.

Animal Experiments

Mr. Rendel: To ask the Secretary of State for the Home Department if he will list the types of products which are required to be tested on animals; and what assessment he has made of alternative procedures. [83329]

Mr. George Howarth: The Home Office and the Animals (Scientific Procedures) Act 1986 do not require types of product to be tested. The purpose of the 1986 Act is to regulate any experimental or other scientific procedure applied to a protected animal which may cause pain, suffering, distress or lasting harm. The safety of products, and the types of test required to assess safety, are the responsibility of other Government Departments.

Section 5(5) of the 1986 Act requires that a project licence shall be granted only if:

(a) the purpose of the programme to be specified in the licence cannot be achieved satisfactorily by any other reasonably practicable method not entailing the use of protected animals; and

(b) the regulated procedures to be used are those which use the minimum number of animals, involve animals with the lowest degree of neurophysiological sensitivity, cause the least pain, suffering, distress or lasting harm, and are most likely to produce satisfactory results.

These embody the principles of the 3Rs—replacing animal use, reducing the number of animals used in a particular procedure and refining procedures to minimise adverse effects.

Home Office inspectors (who are all highly qualified and experienced in either medicine or veterinary science) assess licence applications to ensure that such alternatives are used wherever possible.

Mr. Rendel: To ask the Secretary of State for the Home Department what studies he has made of the normal mortality rate of cat litters for the purpose of comparison with those used in animal experiments. [83330]

Mr. George Howarth: No specific study has been made. However, I had been advised by the Home Office Animals (Scientific Procedures) Inspectorate that a pre-weaning mortality rate of 10 per cent. in an establishment designated under the terms of the Animals (Scientific Procedures) Act 1986 would be comparable to that in commercial catteries which breed kittens for the pet trade. Inspectors hold qualifications in both medical and veterinary science.

I understand that the breeding records of the designated establishment have been examined by the Royal Society for the Prevention of Cruelty to Animals' own professional veterinary staff who consider that they do not reveal evidence of mistreatment.

Mr. Fearn: To ask the Secretary of State for the Home Department how many companies in the United Kingdom have current licences for experiments on animals. [83182]

Mr. George Howarth: I refer the hon. Member to the reply I gave him on 5 May 1999, *Official Report*, column *375*.

Animal Breeding Establishments

Mr. Rendel: To ask the Secretary of State for the Home Department how many cases have been brought against animal breeding establishments for breaches of breeding regulations during each of the last five years. [83331]

Mr. George Howarth: During the last five years, there have been no breaches of the breeding regulations under the Animals (Scientific Procedures) Act 1986 for which prosecution was necessary.

Animal Procedures Committee

Mr. Rendel: To ask the Secretary of State for the Home Department what are the powers of the Animal Procedures Committee; what is its current membership; how members are selected; and what plans he has to change the *(a)* membership and *(b)* membership structure. [83328]

Mr. George Howarth: The role of the Animal Procedures Committee is advisory, not regulatory or executive. It advises the Secretary of State on matters concerned with the Animals (Scientific Procedures) Act 1986 and his functions under it. Under sections 20 of that Act, it must advise him on any question connected with the Act which he has referred to and may also offer him advice on any other such question if it chooses to do so.

The current membership of the Committee is: Professor Michael Banner (Chairman), Professor Ronald Anderson, Professor Christopher Atterwill, Mr. Mike Baker, Professor Donald Broom, Professor Grahame Bulfield, Dr. David Clark, Professor Stephen Clark, Professor Robin Dunbar, Professor Paul Flecknell, Mr. John Gregory, Mr. Alan Holland, Dr. Maggy Jennings, Professor Colin Johnston, Dr. Gill Langley, Professor John Martin, Professor Alan McNeilly, Professor Iain Purchase, Professor Genevra Richardson, Dr. Jacqueline Southee, Dr. Anthony Suckling, Professor John Turner and Mr. Les Ward.

Members of the Committee are appointed by the Secretary of State, taking into account the advice of a panel consisting of a senior Home Office official, the Chair of the Committee, and an independent member. The panel seeks nominations from a wide range of scientific, industrial, commercial and animal welfare organisations. The aim is to maintain a breadth of relevant expertise on the Committee. Members of the Committee are appointed as individuals. They do not act as representatives or delegates of any other organisation.

Under the Animals (Scientific Procedures) Act 1986, members of the Committee can serve for a maximum of two terms, each of up to four years. At least two-thirds of the members, other than the Chair, must hold registration as a medical practitioner or veterinary surgeon or hold qualifications or experience in an approved biological subject. The Committee must also include at least one member who is a barrister, solicitor or advocate.

We last made new appointments to the Animal Procedures Committee in December 1998 and have no immediate plans to appoint further new members or to change the membership structure.

Cleveland Police

Dr. Kumar: To ask the Secretary of State for the Home Department if he will make a statement on the discussion at the meeting of the Cleveland Police Authority on 8 February regarding the 999 call from the house of the former Deputy Chief Constable on 20 January and his application for early retirement. [82687]

Mr. Boateng: Chief Police officers who have completed 30 years' service are entitled to retire at any time, provided they give three months' notice. Where an officer wishes to retire immediately, without giving the required notice, then he must ask the permission of the Police Authority.

Mr. Turnbull, having completed over 30 years' service, was entitled to retire. He was appointed on a fixed term appointment, not a contract, and remained entitled to retire on completion of his pensionable service, even if this was before the end of the fixed term appointment.

The meeting of Cleveland Police Authority on 8 February discussed the request from the then Deputy Chief Constable, Mr. Turnbull, that he be allowed to retire without completing the statutory three months' notice required under Police Regulations.

The police authority considered the application in open session but certain associated matters of a confidential nature were brought to their attention by the Clerk of the Police Authority. The Authority continued the debate in private session in accordance with Section 100 of the Local Government Act 1972.

The Authority returned to open session to make their final decision having determined the issues discussed in private did not affect their consideration of the actual application. The application for early retirement was then approved.

Kosovan Refugees

Mr. Cohen: To ask the Secretary of State for the Home Department if he will make a statement on his plans to assist Kosovan refugees. [83066]

Mr. Straw: As I told the House in my statement on 5 May 1999, *Official Report*, columns 943–52, we have always made it clear that the United Kingdom stands ready to receive some thousands of Kosovan refugees. The next two flights are expected to arrive in Scotland at the weekend. We are planning to build up to taking about a thousand people a week within the next few weeks. Evacuations will be based on criteria agreed with the United Nations High Commissioner for Refugees (UNHCR) whose aim is to relieve pressure on the camps and to give priority to the most vulnerable and those with family links in the United Kingdom.

We will be sending the first team of Home Office officials to Macedonia in the next few days to work with the agencies on the ground to speed up the registration of refugees for potential evacuation. Priority will be given to medical cases, the vulnerable to family reunions.

Evacuees arriving in the United Kingdom under the Humanitarian Evacuation Programme will be granted permission to enter in line with close family members already settled in the United Kingdom or given exceptional leave to remain for twelve months to provide

for their protection as requested by UNHCR. This status provides a passport into the benefits system and the right to work. Other refugees arriving independently will be eligible to apply for asylum in the usual way.

Fire Safety Commission

Mr. Fitzpatrick: To ask the Secretary of State for the Home Department if he will make a statement on progress on the establishment of a Fire Safety Commission. [83245]

Mr. George Howarth: The Fire Brigades Union discussion document, Safety in Partnership, which sets out proposals for a strategic forum to consider fire safety matters will be considered by the Central Fire Brigades Advisory Council at its meeting on 18 May. I have already made it clear that the concepts of developing policies around shared goals, making sure those policies are inclusive, involving those outside government and becoming more forward and outward looking are absolutely right. This approach also ties in with the Better Regulation Task Force's recent review of enforcement, which suggested that fire safety initiatives should be coordinated by a national forum representing government regulators and stakeholders.

Crimestoppers

Mr. Bob Russell: To ask the Secretary of State for the Home Department what action he intends taking to increase public confidence in, and awareness of, the Crimestoppers system of reporting suspected criminals; and if he will publish a copy of his reply to the Director of the Crimestoppers Trust in response to the Trust's offer to help any Government initiative to raise the profile of Crimestoppers. [82888]

Mr. Straw: The Government fully recognise the great value of Crimestoppers. Ministers attend Crimestoppers Trust events to support its work as other commitments allow. I have recently written to the Director of Crimestoppers Trust to outline my support for exploring further the idea that the Home Office and Crimestoppers Trust might work together to raise the profile of Crimestoppers Trust to encourage the use of Crimestoppers by members of the public. Officials will shortly be meeting the Director of Crimestoppers to take matters forward.

The text of the letter was:

"Dear Mr. Carter

Thank you for your letter of 2 March outlining your idea that Crimestoppers and the Home Office might work together on a campaign to encourage people, particularly from minority ethnic communities, to report crime anonymously using the Crimestoppers telephone number.

Clearly, we want to do all we can to involve minority ethnic communities in the fight against crime. I know that was the reasoning behind the lunch that I attended last October to promote Crimestoppers to the Asian community. I would be interested in looking in more detail at how such a campaign might work. I have asked officials to contact you to discuss the idea further.

Once again I would like to reiterate my support for the work that Crimestoppers does throughout Britain to help in the fight against crime and I look forward to hearing how this idea develops.

The Home Secretary."

Mr. Bob Russell: To ask the Secretary of State for the Home Department how much money was allocated by the Government to fund Crimestoppers in each of the last five financial years for which figures are available; and if he will make a statement. [82887]

Mr. Straw: Crimestoppers has not sought core Government funding and none has been allocated to it by the Government.

Mr. Bob Russell: To ask the Secretary of State for the Home Department how many people have been arrested in each of the last five years for which figures are available as a result of information supplied to Crimestoppers. [82886]

Mr. Straw: I understand from Crimestoppers Trust that the number of people arrested and charged for each of the last five years as a result of information supplied to Crimestoppers was as follows:

Year	*Arrested and charged*
1994	2,943
1995	3,355
1996	4,347
1997	4,726
1998	5,169

These figures can be broken down into the following categories for 1998:

Crime	*Total arrested and charged*
Murder	30
Attempted murder	12
Rape	14
Robbery	206
Assault	135
Burglary	396
Firearms	53
Drugs	2,400
Arson	22
Theft	430
Vehicle Crime	505
Sexual Assault	14
Fraud	179
Other crimes	570
Total	5,169

The total number of people arrested and charged as a result of information supplied to Crimestoppers for the period 1 January 1999-end March 1999 is 1,211.

SCOTLAND

Fair Trade Products

Ms Ward: To ask the Secretary of State for Scotland what plans he has to introduce fair trade products at *(a)* meetings, *(b)* events and *(c)* catering facilities within his Department. [82864]

Mr. Dewar: I refer my hon. Friend to the reply given by my hon. Friend the Economic Secretary to the Treasury on 5 May 1999, *Official Report*, column *410*.

Written Answers to Questions

Friday 7 May 1999

ATTORNEY-GENERAL

Queen's Counsel

Mr. Dismore: To ask the Attorney-General if he will recommend guidelines to other Government Departments as to *(a)* when it is appropriate to instruct Queen's Counsel and *(b)* how much it is appropriate to pay Queen's Counsel; and if he will make a statement. [83548]

The Attorney-General: In civil cases involving Government Departments, recourse would first be had to the four panels of junior counsel maintained by the Attorney-General to undertake Government civil litigation. In appropriate cases, First Treasury Counsel (Common Law) or First Treasury Counsel (Chancery), both of whom are junior counsel, would be instructed. In considering whether to instruct a Queen's Counsel in a particular case, consideration would be given to the importance and sensitivity of the case, the complexity of the law, the weight and complexity of the evidence, and the degree of experience and expertise required. My approval is required before a Queen's Counsel can be instructed. No need is seen, therefore, for further guidance.

As regards purely advisory work, each Department is responsible for its own policy on when to instruct Queen's Counsel but takes into account the same or similar factors as those set out above. All Departments have access to the four panels maintained by the Attorney-General and to the services of Treasury Counsel.

Fees paid to Queen's Counsel are negotiated on a case-by-case basis either by the Treasury Solicitor or by the Department concerned and counsel or counsel's clerk. The appropriate fee will depend on the particular circumstances of the case and is a budgetary matter for the Department concerned.

As regards prosecution work carried out by the Department of Trade and Industry, Her Majesty's Customs and Excise, the Inland Revenue and the Departments of Health and Social Security, the Attorney-General maintains a list of advocates considered suitable to undertake such work. Three of those Departments have Standing Counsel, all junior counsel, who will undertake the heaviest and most serious of prosecutions. Usually, only where Standing Counsel is not available or where the case calls for a particular specialist knowledge would consideration be given to the instruction of a Queen's Counsel. The factors taken into consideration in deciding whether Queen's Counsel should be instructed are as set out above. All Departments also have access to the panel of Treasury Counsel based at the Central Criminal Court, all of whom are junior counsel.

I would also refer my hon. Friend to the replies given on 26 April 1999, *Official Report,* columns *1–2,* and on 28 April 1999, *Official Report,* columns *189–90.*

Mr. Dismore: To ask the Attorney-General what plans he has to discuss with the Bar Council guidelines for fees for Queen's Counsel instructed on Government or Government agency business. [83549]

The Attorney-General: I have no plans to discuss this issue with the Bar Council.

LORD CHANCELLOR'S DEPARTMENT

Queen's Counsel

Mr. Dismore: To ask the Minister of State, Lord Chancellor's Department if he will make a statement on his Department's policy when *(a)* conducting legal proceedings and *(b)* seeking legal advice as to the circumstances in which Queen's Counsel should be instructed; and for each of the last three years (i) on how many occasions his Department instructed Queen's Counsel and (ii) what was the total cost of instructing Queen's Counsel. [81755]

Mr. Hoon *[holding answer 27 April 1999]:* The Department predominantly uses junior Counsel when it is necessary to instruct Counsel to conduct legal proceedings or to provide legal advice. In many important matters, the Department will instruct First Treasury Counsel (Common Law) to represent or advise the Department without the assistance of a Queen's Counsel. In the great majority of other legal proceedings, and for advice on other matters, Counsel will be instructed from one of the Panels of junior Counsel maintained by the Attorney-General.

In a small minority of cases, the Department will seek the approval of the Attorney-General for the instruction of Queen's Counsel. In seeking this approval, the Department will take into account, among other things, the importance and sensitivity of the case, the complexity of the law, and the degree of experience and expertise required.

The Department has instructed seven Queen's Counsel since 1 May 1997, one of them in two different matters. On the information so far available to the Department, the cost of doing so was £21,749.25. Information on Queen's Counsel instructed before 1 May 1997 is available to the Department only at disproportionate cost.

WALES

Deep Mines

Mr. Evans: To ask the Secretary of State for Wales what estimate he has made of the proportion of deep-mined coal from Wales that is supplied to electricity power stations supplying the National Grid. [82242]

Mr. Hain: This information is commercially confidential, but on the basis of the available information, I would estimate that about a quarter of Welsh deep-mine production was sold to major power producers in 1997.

New Deal

Mr. Barry Jones: To ask the Secretary of State for Wales if he will make a statement on the New Deal in the Alyn and Deeside constituency. [82729]

Mr. Hain: The latest information indicates that, in the Employment Service's North East Wales Unit of Delivery for the New Deal (which includes the Alyn and Deeside parliamentary constituency), nearly 970 people have joined the New Deal for 18–24s. 270 young people have secured employment (195 of these are in unsubsidised jobs), and over 180 more have entered education, training, or work experience.

I am delighted by the positive start made by the New Deal. I am grateful for the enthusiasm and support of the wide range of organisations which are working in partnership to deliver the New Deal. In particular, I welcome the contribution of employers, over 300 of whom have signed up for the New Deal in North East Wales.

Schools Refurbishment (Flintshire)

Mr. Barry Jones: To ask the Secretary of State for Wales how much cash he has made available to Flintshire local education authority to refurbish schools; and if he will make a statement. [82730]

Mr. Hain: By the end of the 1999–2000 financial year, Flintshire will have been allocated over £1.45 million as its share of the Additional Capital Funding for Schools initiative.

This is in addition to its normal capital allocations. Flintshire's non-housing Basic Credit Approval for 1999–2000 is £4.582 million. It is for the authority to decide on the level of resources devoted to schools.

Following the transfer of functions this issue will become a matter for the National Assembly.

Objective 2 Status

Mr. Barry Jones: To ask the Secretary of State for Wales when he plans to announce the objective 2 status map for Wales; and if he will make a statement. [82733]

Mr. Hain: The UK Government are currently undertaking a consultation exercise to discover from local and regional partners their views on possible eligible areas under objective 2. This would include comments on the geographical areas; the NUTS level; and the criteria that might be used to determine eligibility.

The Government will then propose areas to receive objective 2 status. Any decisions by the UK Government are subject to agreement with the European Commission. It is hoped that an objective 2 map for the UK, including Wales, will be settled by the Autumn.

NORTHERN IRELAND

Eastern Health and Social Services Board

Mr. Öpik: To ask the Secretary of State for Northern Ireland if she has approved the Financial Recovery Plan proposed by the Eastern Health and Social Services Board; and if she will make a statement. [82552]

Mr. McFall: A detailed recovery plan has yet to be submitted to the Health and Social Services Executive by the Eastern Health and Social Services Board, since the final outturn position of the Board for 1998–99 has still to be confirmed. The recovery strategy proposed by the Board suggests that it should recover its deficit over the two year period of 1999–2000 and 2000–01. The Executive will consider, approve and monitor the implementation of a Financial Recovery Plan once the deficit has been accurately established. Current estimates are that the deficit will represent approximately 1 per cent. of the Board's annual expenditure.

HSS Boards and Trusts

Mr. Öpik: To ask the Secretary of State for Northern Ireland what assessment she has made of the performance of health and social services boards and trusts in Northern Ireland of their statutory duties under the *(a)* Mental Health (Northern Ireland) Order 1986 and the *(b)* Children (Northern Ireland) Order 1995. [82545]

Mr. McFall: It is the duty of the Mental Health Commission for Northern Ireland to keep under review the exercise of the powers and the discharge of the duties conferred on the health and social services by the Mental Health (Northern Ireland) Order 1986. Information on the exercise of the powers is contained in the Commission's annual published report. I have arranged for copies to be placed in the Library.

Last year, the Department of Health and Social Services carried out a survey of Health and Social Services Trusts with regard to the performance of their statutory duties under the Children (Northern Ireland) Order 1995. This indicated that, in general, trusts were providing personal social services for children in need and their families in accordance with Part IV of the Order. However, there were some deficiencies, notably in the level of a suitable range of residential services. This particular issue is being addressed at present by the Department, in conjunction with the Health and Social Services Boards, within the context of "Children Matter", the Department's Review of Residential Services in Northern Ireland, with the aim of improving the position in both the short term and the long term.

The Department will continue to monitor the performance of trusts in the delivery of services for children in need and their families on an annual basis.

Mr. Öpik: To ask the Secretary of State for Northern Ireland what is the total debt outstanding in relation to health and personal social services in Northern Ireland for each *(a)* board and *(b)* trust; and if she will make a statement. [82551]

Mr. McFall: The total debt outstanding in relation to health and personal social services in Northern Ireland for each *(a)* board and *(b)* trust as at 31 March 1998 is disclosed in the table. This information was extracted from 1997–98 Accounts of the HSS bodies.

Schedule of indebtedness of HSS boards and trusts at 31 March 1998

	£000
	Debt
Boards	
Northern Health and Social Services Board	2,016
Eastern Health and Social Services Board	4,349
Southern Health and Social Services Board	4,625
Western Health and Social Services Board	1,899
Total	12,889

Schedule of indebtedness of HSS boards and trusts at 31 March 1998

£000

	Debt
Trusts	
Royal Group of Hospitals and Dental Hospital HSS Trust	111,154
Belfast City Hospital HSS Trust	102,243
Down and Lisburn HSS Trust	58,095
Ulster North Down and Ards Hospital HSS Trust	42,585
Greenpark Healthcare HSS Trust	47,049
Mater Hospital HSS Trust	13,260
Northern Ireland Ambulance HSS Trust	9,770
North Down and Ards Community HSS Trust	13,779
North and West Belfast HSS Trust	31,035
South and East Belfast HSS Trust	53,080
Homefirst Community HSS Trust	51,281
Causeway HSS Trust	37,838
United Hospitals HSS Trust	75,466
Craigavon and Banbridge Community HSS Trust	13,797
Craigavon Area Hospital Group HSS Trust	37,895
Newry and Mourne HSS Trust	22,296
Armagh and Dungannon HSS Trust	39,876
Foyle HSS Trust	34,940
Sperrin Lakeland Health and Social Care HSS Trust	51,791
Altnagelvin Hospitals HSS Trust	46,422
Total	893,652
Boards and Trusts Total	906,541

Note:

The figures in the table were extracted from the 1997–98 Accounts of HSS bodies

Gaelic Athletic Association

Mr. John D. Taylor: To ask the Secretary of State for Northern Ireland what was the total amount of public funding for the Gaelic Athletic Association in each of the past five years; and if she will make a statement. [82550]

Mr. McFall: The total amount of public funding for the Gaelic Athletic Association, and its associated clubs, is as follows:

1998–99: £4,006,868.74

1997–98: £1,691,026.85

1996–97: £2,371,913.35

1995–96: £1,754,917.81

1994–95: £39,187.68.

Mental Health

Mr. John D. Taylor: To ask the Secretary of State for Northern Ireland if the South Eastern Education and Library Board will be represented on the Regional Task Force on Mental Health Promotion; and if she will make a statement. [82743]

Mr. McFall: Representation on the Regional Task Force on Mental Health is not on a Board basis. The education sector is represented by the Department of Education. Representatives from each of the Education and Library Boards were invited to consultation days organised during the months of February and April to consider a mental health promotion strategy for Northern Ireland.

SOCIAL SECURITY

War Pensions Scheme

Mr. Dismore: To ask the Secretary of State for Social Security what plans he has to review the administration of the appeals process within the War Pensions Scheme as it applies to former *(a)* officers and *(b)* other ranks. [82715]

Angela Eagle: We are committed to reducing the time taken to process all types of War Pension appeals. At the December 1998 meeting of the Central Advisory Committee on War Pensions we announced the commissioning of an independent review into the whole decision-making and appeals process. The findings of the consultants who conducted the review were reported to the Department last month and will be announced shortly.

Incapacity Benefit

Dr. Lynne Jones: To ask the Secretary of State for Social Security if he will make it his policy to provide national insurance credits that count towards the new national insurance contribution condition for incapacity benefit proposed in the Welfare Reform and Pensions Bill to working members of households in receipt of working families or disabled persons tax credits whose earnings are below the lower earnings limit; and if he will make a statement. [82705]

Mr. Bayley: There are two contribution conditions for Incapacity Benefit. The first condition requires a minimum number of paid contributions and cannot be satisfied by credits. The provisions in the Welfare Reform and Pensions Bill will change this condition so that the minimum number of contributions will need to have been paid in one of the two tax years before the claim for benefit rather than, as now, in any year.

The second contribution condition can be satisfied by credits. People on Disability Working Allowance (and, in future, Disabled Persons Tax Credit) who have earnings below the Lower Earnings Limit are given credits which count towards the second contribution condition. Family Credit (and, in future, Working Families Tax Credit) do not provide credits of this kind. The second contribution condition is unaffected by the provisions in the Bill.

Benefit Arrears

Ms Keeble: To ask the Secretary of State for Social Security when the constituent whose name has been supplied to him will be paid the benefits awarded to him by a tribunal in August 1998, backdated to 1974. [82880]

Mr. Bayley: An initial payment of arrears was issued on 4 May 1999. Arrears from the beginning of the award will now be calculated and issued without undue delay.

PRIME MINISTER

Bilderberg Group

Mr. Keetch: To ask the Prime Minister which *(a)* Ministers and *(b)* officials will attend the Bilderberg Group meeting in Portugal in June; and if he will make a statement. [81790]

The Prime Minister: I am told that the Bilderberg Group usually invites a number of people from government, politics, industry, finance and education from a wide range of countries to its annual Conference. There is no formal representation by the UK Government.

Class Sizes

Mr. John M. Taylor: To ask the Prime Minister, pursuant to his oral answer to the right hon. Member for Yeovil (Mr. Ashdown) of 28 April 1999, *Official Report*, column 336, if he will make a statement on the changes there have been in average school class sizes for children over the age of seven years since 1 May 1997. [83095]

Mr. Hayes: To ask the Prime Minister, pursuant to his oral answer to the right hon. Member for Yeovil (Mr. Ashdown) of 28 April 1999, *Official Report*, column 336, concerning class sizes, what has been the change in the average size of school classes in the past two years. [83233]

The Prime Minister: The Government's manifesto pledge is to reduce the size of infant classes to 30 or below. The evidence of Ofsted and others is that class size matters most in the early years when children are learning the basics. As a result of an investment of £67 million there were some 130,000 fewer infants in classes of over 30 in January this year than in January 1998. And we have announced that from September this year we expect a further reduction of 150,000 meaning that the number of infants in classes over thirty will be 200,000 compared to 485,000 in January 1998. Between January 1998 and January 1999:

The average size of primary classes fell overall from 27.8 pupils to 27.6, the first fall for 10 years;

the average size of Key Stage 2 classes remained steady (28.3 in 1998, 28.4 in 1999) as did the average size of secondary classes (21.9 in 1998, 22.0 in 1999);

average size of classes in all maintained primary and secondary schools fell for the first time in 5 years from 24.9 in January 1998 to 24.8 in January 1999.

European Commission

Mr. Bercow: To ask the Prime Minister if he will make a statement on his meeting with Mr. Romani Prodi on 14 April; what subjects were discussed; what decisions were reached; and if he will place the plans for European Commission reform submitted by Mr. Prodi to that meeting in the Library. [83541]

The Prime Minister: Heads of State and Government met Mr. Prodi on 14 April to discuss Commission reform. As the meeting was informal, no formal papers were submitted to it and there were no formal conclusions. However, Heads did agree to discuss the reform process with Mr. Prodi again at the Cologne European Council in June. I will, of course, make a statement to the House after that Council, and the conclusions and other relevant documents will be placed in the Library.

Mr. Prodi's formal statements on reform have consistently shown that he supports a Commission which is more efficient, transparent and accountable. The UK fully supports these objectives.

Mr. Bercow: To ask the Prime Minister when he plans to announce his nominations for the two United Kingdom EU Commissioners ; and when he intends to discuss potential candidates with the President-nominate. [83475]

The Prime Minister: In accordance with the Amsterdam Treaty, now that Mr. Prodi's nomination as Commission President has been approved by the European Parliament, member states will begin to consult with him on nomination of the other Commissioners. The two nominees from the United Kingdom will be announced as soon as this consultation has been completed.

CULTURE, MEDIA AND SPORT

Amateur Swimming

Mr. Levitt: To ask the Secretary of State for Culture, Media and Sport what action the Government have taken to promote amateur swimming. [82899]

Mr. Banks: This Government place great importance on amateur swimming, both as an elite sport and as a form of exercise which should be available to all. That is why swimming is a statutory element of the primary National Curriculum, giving all young people the opportunity to learn to enjoy it. Sport England has a facilities strategy in place, covering both excellence and recreational swimming; the sport has received £280,000 exchequer funding for 1999–2000; and has been awarded £184 million Lottery funding to date, which is more than for any other single sport. In addition, between January and September of this year, £2 million of Lottery funds have been allocated to top individual British swimmers under the World Class Performance Programme, and £750,000 towards excellence in disabled swimming, which is laying the foundations for future British success.

Royal Parks Agency

Mr. McNulty: To ask the Secretary of State for Culture, Media and Sport what targets he has set for the Royal Parks Agency. [83812]

Mr. Alan Howarth: The following targets have been set for the Royal Parks Agency for 1999–2000:

Financial and Efficiency

To increase income by 10 per cent. from the 1998–99 level, from all sources except recharges and VAT refunds.

Stay within the flat running costs allocation of £8.235 million.

Keep Royal Parks Constabulary hourly costs of a police constable on duty down to 1998–99 levels in real terms.

Visitor satisfaction

Achieve an overall quality rating of 86 per cent. from visitors to the parks, compared to a rating of 84 per cent. in 1998–99. The minimum rating for any one park should be no lower than 80 per cent.

Fabric

Achieve an average rating from visitors of at least 85 per cent. on cleanliness in the parks, compared with a rating of 83 per cent. in 1998–99. The minimum rating for a park should be no lower than 75 per cent.

Maintain an average score of at least 85 per cent. for soft landscape presentation, compared with a score of 84 per cent. in 1998–99. The minimum score for a park should be no lower than 80 per cent.

Complete the first phase of refurbishment works of White Lodge in Bushy Park by the end of 1999–2000, with a view to ensuring the building is removed from English Heritage's "Buildings at Risk" register by 2001.

I shall be reviewing progress against these targets and against the Agency's objectives at my six months review of the Agency's Funding Agreement.

FOREIGN AND COMMONWEALTH AFFAIRS

Jarinabanu Fakir Mohmed Khalifa

Mr. Rooney: To ask the Secretary of State for Foreign and Commonwealth Affairs when the explanatory statement relating to Jarinabanu Fakir Mohmed Khalifa, Bombay reference R/98/3813 will be forwarded. [82755]

Mr. Fatchett *[holding answer 30 April 1999]:* The Explanatory Statement relating to Jarinabanu Fakir Mohmed Khalifa was sent to the Appeals Registry at the Home Office on 19 January.

Burma

Mr. Hesford: To ask the Secretary of State for Foreign and Commonwealth Affairs what representations he has made to the Burmese Government on the persecution of the Chin tribe. [83143]

Mr. Fatchett: We continue to monitor carefully the situation of ethnic minorities in Burma. Our Ambassador visited Chin State in early March. Our Embassy in Rangoon regularly raise the plight of ethnic minorities in Burma directly with the authorities, most recently on 5 May. We also supported the UN Commission on Human Rights resolution on Burma, adopted on 23 April, which deplored the human rights violations of ethnic minorities and called on the regime to stop such violations.

Zimbabwe High Commission

Mr. Dismore: To ask the Secretary of State for Foreign and Commonwealth Affairs how many *(a)* employees and *(b)* diplomats accredited to the Zimbabwe High Commission are entitled to diplomatic immunity. [83552]

Mr. Tony Lloyd: The Zimbabwe High Commission employs 38 staff. Of these, 15 are diplomats and entitled to diplomatic immunity.

Diplomatic Immunity

Mr. Dismore: To ask the Secretary of State for Foreign and Commonwealth Affairs what action he proposes to take in relation to Mr. X., who has claimed diplomatic immunity in relation to an alleged serious assault on Mr. Y., details of the incident and the identities of Mr. X. and Mr. Y. having been supplied by letter to his Department. [83550]

Mr. Tony Lloyd: An official from this Department wrote to the Acting Head of the relevant diplomatic mission on 4 May, requesting information on a number of issues. My noble Friend the Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs, Baroness Symons, will reply to my hon. Friend's letter as soon as possible.

Bosnia and Herzegovina

Mr. Wareing: To ask the Secretary of State for Foreign and Commonwealth Affairs how many people were displaced from their homes in Bosnia and Herzegovina during the conflict there; and how many have since returned. [83491]

Mr. Tony Lloyd: UNHCR estimate that, at the time of the Dayton Peace Agreement (December 1995), there were more than 525,000 refugees in the region, along with 1.2 million internally-displaced persons (IDPs). Since Dayton, nearly 550,000 of the two million refugees and IDPs have returned to their homes in Bosnia and Herzegovina.

Croatia

Mr. Wareing: To ask the Secretary of State for Foreign and Commonwealth Affairs what co-operation is being afforded NATO in its operation against Yugoslavia by Croatia. [83493]

Mr. Tony Lloyd: The Government of Croatia have allowed NATO full use of their airspace for operations against the Federal Republic of Yugoslavia and agreed to NATO's request to cut the Croatia/FRY oil pipeline.

Turkey

Mr. Wareing: To ask the Secretary of State for Foreign and Commonwealth Affairs what role is being played by Turkey in NATO's operations in Yugoslavia. [83489]

Mr. Tony Lloyd: NATO operates by consensus. Like all Allies, Turkey takes part fully in the Alliance decision-making process.

Turkey's military contribution to NATO operations in the FRY currently comprises 11 F-16 fighter aircraft in addition to transport aircraft and a frigate. It also has forces stationed in Albania with NATO's humanitarian support operations.

GCHQ

Mr. Nigel Jones: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the future location of GCHQ. [83810]

Mr. Robin Cook: I have agreed with Treasury colleagues that the project overall offers good value for the taxpayer, and I have authorised the Director of GCHQ to continue to negotiate with GSL through to contract signature. I have selected the current GCHQ site at Benhall in Cheltenham as the location for the new GCHQ building, subject to final agreement on a number of outstanding matters. I made the decision having regard to the Government's sustainable transport policies. I am very pleased that the long-standing association between GCHQ and Cheltenham is to be maintained.

ENVIRONMENT, TRANSPORT AND THE REGIONS

Advisory Committee on Releases to the Environment

Mr. Yeo: To ask the Secretary of State for the Environment, Transport and the Regions (1) by what method it is his practice to inform Parliament of changes in membership of the Advisory Committee on Releases to the Environment; [81388]

(2) by what method he announced the change in membership of the Advisory Committee on Releases to the Environment; [81407]

(3) when he will announce the new members of the Advisory Committee on Releases to the Environment. [81406]

Mr. Meacher *[holding answer 19 April 1999]:* I announced my intention to review the membership and remit of the Advisory Committee on Releases to the Environment (ACRE) in my statement to the House of Lords on 21 October 1998. The term of office of the members of ACRE appointed in June 1996 ends on 17 June 1999 and a statement on the changes in membership will be made in due course.

Genetically Modified Crops (Bees)

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions what is the maximum distance he assumes bees can travel when setting isolation distances for genetically modified trial crops. [81408]

Mr. Meacher *[holding answer 20 April 1999]:* There is no maximum distance to which it can be guaranteed that bees will travel. But, in general, bee foraging behaviour is well understood and one member of ACRE is an expert on bees and their behaviour. When foraging a crop with high flower density, a bee may fly for some metres, possibly hundreds of metres, to a particular area of the crop. ACRE always take account of pollen dispersal by bees and its likely consequences. Based on the type of GM plant, how it has been modified and the circumstances of the proposed release, it may be judged necessary to minimise the potential for cross-pollination of neighbouring sexually compatible crops or wild relatives by the GM plants. The precautions taken to prevent or reduce cross-pollination may include the removal of flowers or the setting of specific isolation distances between GM and non-GM plants or borders of non-GM plants around the plots of GM plants. Where isolation distances are set, these are not intended to prevent pollen spread but to reduce pollen spread as far as is practically possible.

Emissions Trading Scheme

Mr. Gareth R. Thomas: To ask the Secretary of State for the Environment, Transport and the Regions if he will set out the steps and timescale the Government are working to in developing a national emissions trading scheme; and if he will make a statement. [82641]

Mr. Meacher: The Government fully recognise the potential benefits of a national carbon emissions trading scheme, particularly in allowing business to deliver greenhouse gas reductions as cost effectively as possible, and in preparing business for any international emissions trading scheme established under the Kyoto Protocol. We are therefore taking forward the recommendation made by Lord Marshall in his report on "Economic Instruments and the Business Use of Energy", that the Government should consider a pilot trading scheme.

Development of an effective pilot trading scheme must be business-led, but with the active involvement of, and a clear steer from Government. We are therefore working with the CBI and ACBE (the Advisory Committee on Business and the Environment) to develop the pilot scheme. The next step is for the CBI and ACBE to call a meeting of interested Chief Executives and senior government officials, to commit to a timetable and resources for developing the pilot. The intention is for this meeting to take place in late June or early July, subject to availability.

Wyre Piddle (Road Accident)

Mr. Luff: To ask the Secretary of State for the Environment, Transport and the Regions if he will commission an investigation into the circumstances of the road traffic accident that occurred in Wyre Piddle on 28 April in order to inform his consideration of an application from Worcestershire County Council for funding for a bypass of the village. [83004]

Ms Glenda Jackson: The investigation of road traffic accidents is a matter for the police. It will be for Worcestershire County Council to put forward any bid for funding of a bypass as part of their Local Transport Plan. The County Council will need to appraise any major scheme using the New Approach to Appraisal, of which safety is a major element. We will consider that appraisal as part of our consideration of the Local Transport Plan.

A38 Bridge (Almondsbury)

Mr. Webb: To ask the Secretary of State for the Environment, Transport and the Regions, pursuant to his answer of 27 April 1999, *Official Report*, column *90*, if the work undertaken in 1998 on the A38 bridge over the M4 at Almondsbury was certified as meeting the requirements of the Highways Agency's specification, including the testing of materials. [82901]

Ms Glenda Jackson: Part of the works carried out on the A38 bridge over the M4 at Almondsbury in 1998 did not meet the required specification and they were rejected by the site supervisory staff appointed by the Highways Agency. The contractors are replacing the sub standard work at their own cost.

Lamp Standards

Mr. Laxton: To ask the Secretary of State for the Environment, Transport and the Regions what data he has collated on incidents of complete failure in service of lamp standards over the past three years. [83180]

Ms Glenda Jackson: There are no comprehensive central data collected on incidents where lamp standards have failed. Most are on local roads for which local highway authorities are responsible and maintenance details are not available centrally. The Highways Agency, who are responsible for trunk roads and motorways, keep a record of those reported by their Area Agents and,

although there is no requirement, some on local authority roads. In the last three years, there have been three incidents recorded on motorway and trunk roads.

Empty Dwellings

Mr. Gordon Prentice: To ask the Secretary of State for the Environment, Transport and the Regions if he will list for each local authority in England the number and percentage of *(a)* public and *(b)* private sector dwellings which are empty. [83236]

Mr. Raynsford: I have placed the information requested in the Library. This table presents the latest available data on the number and proportion of vacant dwellings owned by local authorities, Registered Social Landlords (RSLs), 'Other Public Sector organisations' and the rest of the private sector for local authority districts in England. The figures relate to 1 April 1998 and have been provided by local authorities on their HIP returns, except for those for RSLs which relate to 31 March 1998 and are based on information supplied by the Housing Corporation. Estimated totals that include allowances for missing or incomplete returns are provided for England.

Green Ministers Committee

Mr. Randall: To ask the Secretary of State for the Environment, Transport and the Regions how many times the Green Ministers Committee has met since May 1997; and if he will place in the Library *(a)* the agenda and minutes of each of the meetings and *(b)* a list of significant decisions and action plans made at each meeting. [83156]

Mr. Meacher: The Green Ministers Committee has met five times since May 1997.

On *(a)*, the minutes and agenda are not made public, but the House is advised of what happened at each meeting. I refer the hon. Member to the reply I gave to the hon. Member for Lewes (Mr. Baker) on 23 March 1999, *Official Report*, column *248*, with regard to the outcome of the Committee's most recent meeting on 22 March 1999.

On *(b)*, the Committee will be reporting on its actions and plans in its first published report this summer, a copy of which will be placed in the House Library.

Drink-drive Initiatives

Mr. Reed: To ask the Secretary of State for the Environment, Transport and the Regions what new measures he proposes to introduce to achieve further reductions in the number of drink-drive casualties. [83171]

Dr. Reid: We have consulted on a package of measures to combat drinking and driving. Decisions on drink-drive measures will be incorporated within the road safety strategy which we will publish this year.

Motorway Lighting

Mr. Stringer: To ask the Secretary of State for the Environment, Transport and the Regions what estimate he has made of the effect of providing lighting on the whole motorway system on the number of recorded accidents. [82939]

Ms Glenda Jackson *[holding answer 4 May 1999]:* No such estimate has been made.

Departmental Advice Note, TA 49/86 (Appraisal of New and Replacement Lighting on Trunk Roads and Motorways) provides guidance on the assessment method for the provision of road lighting. Lighting is normally provided on dual four-lane motorways. On dual three-lane motorways and below, an assessment is made following the guidelines. This includes a full assessment of the safety and environmental considerations.

National Federation of Roofing Contractors

Mr. Sayeed: To ask the Secretary of State for the Environment, Transport and the Regions (1) what plans he has to meet the National Federation of Roofing Contractors; [83144]

(2) if he will make an assessment of the National Federation of Roofing Contractors' *(a)* insurance-backed guarantee scheme and *(b)* Roofsafe Plus Latent Defect Scheme; and if he will make a statement. [83145]

Mr. Raynsford: I refer the hon. Member to the answer I gave to the hon. Member for Buckingham (Mr. Bercow) on 22 February 1999, *Official Report*, columns *54–55*. I will be meeting representatives of the National Federation of Roofing Contractors later this month.

Bridges

Mr. Baker: To ask the Secretary of State for the Environment, Transport and the Regions how many bridges his Department believes will need to be strengthened by local authorities as a consequence of the decision to allow 40 tonne lorries on domestic journeys access to the road network. [82883]

Ms Glenda Jackson *[holding answer 5 May 1999]:* Substantial progress has been made in the assessment and strengthening programme. The latest figures available to DETR show that, of 41,602 local authority structures, 35,647 have been assessed, with over 30,000 being of adequate standard, and 3,250 local road bridges have been strengthened.

Severn Rail Tunnel

Mr. Webb: To ask the Secretary of State for the Environment, Transport and the Regions if he will ask the Rail Regulator to launch an investigation into the circumstances which led the Health and Safety Executive to implement speed restrictions in the Severn Rail Tunnel. [83373]

Ms Glenda Jackson: On 29 April—the same day that the Health and Safety Executive (HSE) imposed a 20 mph speed restriction on trains using the Severn Tunnel—the Rail Regulator called for an urgent report from Railtrack explaining why its maintenance procedures had not been sufficient to avoid the enforcement action taken by the HSE, and the plans it had for putting the matter right. Railtrack submitted that report on 4 May, and the Rail Regulator is currently considering it.

Jubilee Line Extension

Mr. Ottaway: To ask the Secretary of State for the Environment, Transport and the Regions, pursuant to his answer of 30 April 1999, *Official Report*, column *292*, concerning the opening of the Stratford to North Greenwich phase of the Jubilee Line extension, if he will define late Spring. [83380]

Dr. Reid: The 8th edition of the Concise Oxford Dictionary states that, in the northern hemisphere, Spring is from March to May. So late Spring by most definitions will be towards the end of this period.

TREASURY

Government Investments

Mr. Caplin: To ask the Chancellor of the Exchequer if he will make a statement on the Government's investments. [83724]

Ms Hewitt: Today we are announcing a restructuring of the UK's reserve holdings to achieve a better balance in the portfolio by increasing the proportion held in currency. This will involve a programme of auctions of gold from the Exchange Equalisation Account, which holds the UK's official reserves of foreign currency and gold, with the proceeds being invested instead in foreign currency assets and retained in the reserves.

The Treasury intends to sell 125 tonnes of gold, 3 per cent. of the total reserves, during 1999–2000, with the Bank of England conducting five auctions on the Treasury's behalf. Auctions will be held every other month starting in July.

Kosovo

Dr. Tonge: To ask the Chancellor of the Exchequer if he will list the budgets from which the extra funding for aid to the Kosovan refugees is being taken. [83562]

Mr. Milburn: The costs of helping refugees in the area have been met to date from the budgets of the Department for International Development and Ministry of Defence, with some contribution from the central reserve.

DEFENCE

Kosovo

Mr. Maples: To ask the Secretary of State for Defence if he will make a statement on the estimated weekly cost to the British Government of military operations in connection with Kosovo. [81621]

Mr. George Robertson *[holding answer 21 April 1999]:* I refer the hon. Member to the answer I gave to my hon. Friend the Member for Nottingham, South (Mr. Simpson) on 15 April 1999, *Official Report*, columns *323–24*. This information will be updated in due course. However, as costs of operations vary from week to week, the provision of a weekly figure would be misleading.

Mr. Gill: To ask the Secretary of State for Defence what has been the additional cost of the conflict in Yugoslavia. [81964]

Mr. Corbyn: To ask the Secretary of State for Defence what estimate he has made of the cost of the conflict with Yugoslavia to his Department; and if he will make a statement. [81970]

Mr. George Robertson *[holding answer 26 April 1999]:* I refer to the answer I gave to the hon. Gentleman and my hon. Friend the Member for Nottingham, South (Mr. Simpson) on 15 April 1999, *Official Report*, columns *323–24*. This information will be updated in due course.

Mr. Keith Simpson: To ask the Secretary of State for Defence what proportion of the TA is (i) deployed and (ii) warned to deploy for operations in the Balkans. [81664]

Mr. George Robertson *[pursuant to his reply, 22 April 1999, c. 633]:* I regret that the figure of 420 I gave of the Territorial Army at the time deployed to the Balkans was incorrect. The correct figure should have been 317, representing some 0.63 per cent. of the overall TA. It is likely that further TA troops will be deployed.

Mr. Llew Smith: To ask the Secretary of State for Defence what assessment he has made of the chemical weapons capability maintained by Yugoslavia. [83290]

Mr. George Robertson: The former Yugoslavia did have an offensive chemical warfare programme, which included small stocks of chemical weapons. Serbia inherited some elements of this in 1992, but the exact status of this programme is unknown. It is assessed that the current threat to our forces from chemical warfare is low.

SFOR

Mr. Wareing: To ask the Secretary of State for Defence what is the current strength of SFOR in Bosnia-Herzegovina; and what is the total United Kingdom contribution. [83487]

Mr. George Robertson: The current strength of SFOR, deployed in Bosnia and Croatia, is some 32,000, of which the British contribution is some 4,500.

AGRICULTURE, FISHERIES AND FOOD

Brussels Council

Mr. Hood: To ask the Minister of Agriculture, Fisheries and Food what was the outcome of the Agriculture Council held in Brussels on 19 and 20 April; and if he will make a statement. [81883]

Mr. Nick Brown: The Agriculture Council scheduled for 19–20 April was cancelled. The next Agriculture Council will be on 17–18 May.

Advisory Committee on Novel Foods and Processes

Mr. Yeo: To ask the Minister of Agriculture, Fisheries and Food if he will publish all the advice which he has received from the Advisory Committee on Novel Foods and Processes since 1 May 1997. [72234]

Mr. Nick Brown *[holding answer 22 February 1999]:* All advice received between May and December 1997 is contained in the Committee's Annual Report for 1997, a copy of which is available in the Library of the House. Advice received since then will be included in the Committee's 1998 Annual Report which is currently being written. I have now deposited a copy of this advice in the Library of the House.

TRADE AND INDUSTRY

Combined Heat and Power Generation

Mr. Caplin: To ask the Secretary of State for Trade and Industry when he will announce his decision on Scottish and Southern Energy plc's notification to build a combined heat and power generation station at the Kimberly-Clark paper mill, Barrow-in-Furness. [83809]

Mr. Battle: I have today granted clearance under Section 14 of the Energy Act 1976 in response to Scottish and Southern Energy plc's notification to build a 13 MW gas-fired combined heat and power station at the Kimberly-Clark paper mill in Barrow-in-Furness. The decision has been taken in accordance with the policy set out in the White Paper entitled "Conclusions of the Review of Energy Sources for Power Generation and Government response to fourth and fifth Reports of the Trade and Industry Committee" (Cm 4071)

Copies of the Press Notice and section 14 clearance are being placed in the Library of the House.

Mr. Geraint Davies: To ask the Secretary of State for Trade and Industry when he will announce his decision on Kronospan Ltd.'s notification to build a combined heat and power generation station at their fibreboard factory at Chirk, Wrexham. [83811]

Mr. Battle: I have today granted clearance under Section 14 of the Energy Act 1976 to Kronospan Ltd.'s notification to double the size of its existing gas-fired combined heat and power station at Chirk, Wrexham to 12.4 MW. The decision has been taken in accordance with the policy set out in the White Paper entitled "Conclusions of the Review of Energy Sources for Power Generation and Government response to fourth and fifth Reports of the Trade and Industry Committee" (Cm 4071).

Decisions on other applications under consideration will be announced in due course. Copies of the Press Notice and the clearance letter are being placed in the Library of the House.

Lingerie

Mr. Gordon Prentice: To ask the Secretary of State for Trade and Industry what was the percentage and value of lingerie sold in the United Kingdom which was manufactured in the United Kingdom in each year since 1990. [83235]

Mr. Battle: Details of UK retail sales of lingerie are not available from official statistics. However, UK manufacturers' sales of and trade in women's and girls' underwear are detailed in The Office for National Statistics publication "Product Sales and Trade—PRQ11", copies of which are available in the Library of the House.

HOME DEPARTMENT

Immigration Advisers

Mr. Clappison: To ask the Secretary of State for the Home Department what is the average fee paid, at present, by those making use of the services of immigration advisers. [82540]

Mr. Mike O'Brien: The immigration advice market is unregulated and so we have little information about the average fee paid by those making use of the services of immigration advisers. Members of Parliament sometimes complain that constituents have paid hundreds or thousands of pounds for advice.

Mr. Clappison: To ask the Secretary of State for the Home Department how many immigration advisers are currently operating in England and Wales. [82534]

Mr. Mike O'Brien: Immigration advice is largely unregulated and so it is difficult to estimate the number of immigration advisers operating in England and Wales. The Immigration Law Practitioners Association has 830 members and there may be a further 200 individuals and companies offering immigration advice for reward. We know that significant numbers of people in the voluntary sector are also providing immigration advice.

Mr. Clappison: To ask the Secretary of State for the Home Department what estimate he has made of the number of immigration advisers in England and Wales operating *(a)* illegally and *(b)* unscrupulously. [82541]

Mr. Mike O'Brien: As immigration advice is currently unregulated it is not possible to estimate how many immigration advisers in England and Wales are at any one time behaving illegally. Unscrupulous behaviour normally becomes apparent only after a complaint is made by a client. Clients are often vulnerable people reluctant to complain. Members of Parliament regularly write to me complaining that their constituents have been incompetently or unscrupulously advised.

Mr. Clappison: To ask the Secretary of State for the Home Department how many immigration advisers have *(a)* had proceedings instituted against them for, and *(b)* been convicted of, illegal activity in each of the last five years. [82535]

Mr. Mike O'Brien: This is an unregulated market where incompetence and unscrupulous behaviour is largely unmonitored. The information that is available in relation to proceedings for offences under immigration law is shown in the table:

	Number of immigration advisers who have had proceedings instituted against them	*Number of immigration advisers who have been convicted*
1995	[1]—	2
1996	[1]—	1
1997	[1]—	1
1998	[1]—	3
1999 (to date)	1	1

[1] No information available

Schengen Agreement

Mr. Bercow: To ask the Secretary of State for the Home Department if he plans to request United Kingdom participation in aspects of the Schengen Agreement under Article 4 of the Protocol upon entry into force of the Amsterdam Treaty. [83483]

Kate Hoey: I refer the hon. Member to the answer given by my right hon. Friend the Home Secretary to the right hon. Member for Penrith and The Border (Mr. Maclean), on 12 March 1999, *Official Report*, columns *380–82*. Following that statement, it is intended to submit a written application shortly, under the terms of Article 4 of the Protocol integrating the Schengen acquis into the framework of the European Union. Parliament will be informed of our application.

Proxy Voting

Mr. Gordon Prentice: To ask the Secretary of State for the Home Department how many representations he has received in the last 12 months in favour of a review of proxy voting. [83466]

Mr. George Howarth: Six letters about proxy voting procedures have been received in the last 12 months though none of them asked specifically for a review. The Home Office Working Party on Electoral Procedures which I chair is examining absent voting generally, along with other electoral issues, and is looking at proxy voting as part of this process.

Criminal Records Bureau

Mr. White: To ask the Secretary of State for the Home Department what is the estimated cost of the Criminal Records Bureau providing free criminal records checks for all voluntary organisations whose primary work is with children. [83546]

Mr. Boateng: It is intended that all applicants will be required to pay for certificates from the Criminal Records Bureau. It is difficult to estimate what the cost of free certificates would be to the Bureau, as it is not known how many volunteers would be required to apply for certificates, but the cost is potentially enormous. If checks were provided only to new volunteers seeking the higher levels of checks the cost could exceed £10 million a year. If checks were extended to all existing volunteers the cost could be between £40-£200 million. The cost of the fees for certificates from the Bureau will be kept to the minimum necessary to recoup costs.

Leicestershire LEA (Ethnic Minority Grants)

Mr. Reed: To ask the Secretary of State for the Home Department how much section 11 funding was received by Leicestershire Local Education Authority in *(a)* 1996–97 and *(b)* 1997–98; what plans he has for the future of Section 11 funding in the next financial year for Leicestershire Local Education Authority; and if he will make a statement. [83166]

Mr. Mike O'Brien: The table shows the section 11 budget allocation to Leicestershire Local Education Authority in relation to each of the years shown:

Year	£
1996–97	2,480,992
1997–98	402,117
1998–99	412,571

Note:
Since 1 April 1997, as a result of local government reorganisation, the City of Leicester has had responsibility for section 11 grant provision within its own boundaries, leaving Leicestershire Local Education Authority with a reduced level of financial provision to cover the rest of the county.

Responsibility for funding such work was transferred, with effect from 1 April 1999, to the Department for Education and Employment (DfEE) under a new Ethnic Minority Achievement Grant. Leicestershire has been notified by the DfEE that its allocation in respect of 1999–2000 under the new grant programme is £412,571. The DfEE will be consulting local education authorities about arrangements for setting allocations in relation to 2000–01 and subsequent years.

Public Entertainment Licences

Mr. Whittingdale: To ask the Secretary of State for the Home Department what plans he has to amend the regulation known as the two-in-the-bar rule for public entertainment licences; and if he will make a statement. [83295]

Mr. George Howarth: Under section 182 of the Licensing Act 1964, a public entertainment licence is not required for live music by up to two performers in any premises where a justices' licence authorising the sale of alcohol is in force. We have no immediate plans to bring forward amendments to this provision; but we are looking at the public entertainment licensing arrangements generally, to see whether any changes are needed.

Asylum Seekers

Mr. Clappison: To ask the Secretary of State for the Home Department what was the average waiting time for the determination of an asylum application in *(a)* the most recent year for which figures are available and *(b)* the two most recent years. [83017]

Mr. Mike O'Brien: I refer the hon. Member to the reply given to my hon. Friend the Member for Hammersmith and Fulham (Mr. Coleman) on 26 January 1999, *Official Report*, column *197*, which gives the information requested.

Sexual Offenders

Mr. Fearn: To ask the Secretary of State for the Home Department how many people charged with a serious sexual offence were released on bail in the year to 31 March *(a)* 1998 and *(b)* 1999. [82912]

Mr. Boateng: In 1997, 2,600 people charged with sexual offences were on bail when committed for trial at the Crown Court. Some sexual offences cover a broad spectrum of behaviour but committal to the Crown Court

indicates that these were the more serious cases including, for example, the vast majority of rape cases. Information for 1998 will become available in the summer.

Immigration and Nationality Directorate

Mr. Garnier: To ask the Secretary of State for the Home Department when the Immigration and Nationality Directorate will return the passports of Miss Inderlyn Irano and Benjamin William Fisher, the partner and son of Mr. A. Fisher, of Wigston, Leicestershire. [83094]

Mr. Mike O'Brien: I have asked for an investigation of this. The file suggests that the passports have been refused and we are asking the Post Office for a report, which will take two weeks. I will write to the hon. and learned Member.

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PARLIAMENTARY DEBATES

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Bills 1R = first reading, 2R = second reading, Com = Committee stage, Rep = Report stage, 3R = third reading, res = resolution, amendt/amendts = amendment/amendments, * = matter taken formally, without debate.

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